

**SUBSTITUTE FOR
HOUSE BILL NO. 4323**

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2018; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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ARTICLE I
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
PART 1
LINE-ITEM APPROPRIATIONS
Sec. 101. There is appropriated for the department of
agriculture and rural development for the fiscal year ending
September 30, 2018, from the following funds:

House Bill No. 4323 as amended May 2, 2017

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	491.5	
GROSS APPROPRIATION		\$ [106,028,800]
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees		221,800
IDG from MDEQ, biosolids		88,500
Total interdepartmental grants and intradepartmental		
transfers.....		310,300
ADJUSTED GROSS APPROPRIATION		\$ [105,718,500]
Federal revenues:		
Department of Interior		238,800
EPA, multiple grants		1,268,100
HHS, multiple grants		3,633,900
USDA, multiple grants		6,133,100
Total federal revenues		11,273,900
Special revenue funds:		
Private - commodity group revenue		80,500
Private - Slow the Spread Foundation		21,100
Total private revenues		101,600
Agricultural preservation fund		1,427,800
Agriculture equine industry development fund		3,667,200
Agriculture licensing and inspection fees		4,065,800
Animal welfare fund		193,300
Commodity inspection fees		710,700
Consumer and industry food safety education fund		355,800

House Bill No. 4323 as amended May 2, 2017

1	Dairy and food safety fund	5,925,300
2	Drinking water declaration of emergency reserve fund .	100
3	Feed control fund	1,243,200
4	Fertilizer control fund	849,900
5	Freshwater protection fund	7,914,500
6	Gasoline inspection and testing fund	1,504,700
7	Grain dealers fee fund	580,000
8	Horticulture fund	38,800
9	Industry support funds	444,900
10	Migratory labor housing fund	167,800
11	Nonretail liquor fees	908,900
12	Private forestland enhancement fund	480,200
13	Refined petroleum fund	3,197,100
14	Rural development fund	2,000,000
15	Testing fees	265,000
16	Weights and measures regulation fees	720,000
17	Total other state restricted revenues	36,661,000
18	State general fund/general purpose	\$ [57,682,000]
19	Sec. 102. DEPARTMENTWIDE	
20	Full-time equated unclassified positions 6.0	
21	Full-time equated classified positions 24.0	
22	Unclassified positions--6.0 FTE positions	\$ 562,300
23	Accounting service center	1,150,400
24	Commissions and boards	23,800
25	Emergency management--4.0 FTE positions	979,600
26	Executive direction--20.0 FTE positions	2,216,900
27	Property management	<u>709,000</u>

1	GROSS APPROPRIATION	\$	5,642,000
2	Appropriated from:		
3	Federal revenues:		
4	HHS, multiple grants		334,400
5	Special revenue funds:		
6	Agricultural preservation fund		17,000
7	Agriculture licensing and inspection fees		127,700
8	Freshwater protection fund		25,300
9	Industry support funds		54,300
10	Nonretail liquor fees		30,500
11	State general fund/general purpose	\$	5,052,800
12	Sec. 103. INFORMATION AND TECHNOLOGY		
13	Information technology services and projects	\$	<u>1,778,500</u>
14	GROSS APPROPRIATION	\$	1,778,500
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from LARA (LCC), liquor quality testing fees		3,200
18	Special revenue funds:		
19	Agricultural preservation fund		200
20	Agriculture licensing and inspection fees		93,800
21	Dairy and food safety fund		61,200
22	Freshwater protection fund		100
23	Gasoline inspection and testing fund		31,800
24	Nonretail liquor fees		500
25	State general fund/general purpose	\$	1,587,700
26	Sec. 104. FOOD AND DAIRY		
27	Full-time equated classified positions		125.0

1	Food safety and quality assurance--94.0 FTE positions	\$	16,648,400
2	Milk safety and quality assurance--31.0 FTE positions		<u>4,510,300</u>
3	GROSS APPROPRIATION	\$	21,158,700
4	Appropriated from:		
5	Federal revenues:		
6	HHS, multiple grants		2,301,500
7	USDA, multiple grants		136,300
8	Special revenue funds:		
9	Consumer and industry food safety education fund		355,800
10	Dairy and food safety fund		5,373,900
11	State general fund/general purpose	\$	12,991,200
12	Sec. 105. ANIMAL INDUSTRY		
13	Full-time equated classified positions		61.0
14	Animal agriculture initiative	\$	399,000
15	Animal disease prevention and response--61.0 FTE		
16	positions		9,267,300
17	Indemnification - livestock depredation		<u>50,000</u>
18	GROSS APPROPRIATION	\$	9,716,300
19	Appropriated from:		
20	Federal revenues:		
21	Department of Interior		40,800
22	HHS, multiple grants		46,600
23	USDA, multiple grants		528,600
24	Special revenue funds:		
25	Private - commodity group revenue		30,500
26	Agriculture licensing and inspection fees		69,700
27	Animal welfare fund		193,300

1	State general fund/general purpose	\$	8,806,800
2	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
3	Full-time equated classified positions		94.0
4	Pesticide and plant pest management--88.0 FTE		
5	positions.....	\$	14,073,800
6	Producer security/grain dealers--6.0 FTE positions ...		<u>618,500</u>
7	GROSS APPROPRIATION	\$	14,692,300
8	Appropriated from:		
9	Federal revenues:		
10	Department of Interior		101,700
11	EPA, multiple grants		536,700
12	HHS, multiple grants		325,100
13	USDA, multiple grants		715,000
14	Special revenue funds:		
15	Private - Slow the Spread Foundation		21,100
16	Agriculture licensing and inspection fees		3,543,200
17	Commodity inspection fees		709,600
18	Feed control fund.....		1,056,600
19	Fertilizer control fund.....		825,900
20	Freshwater protection fund		154,600
21	Grain dealers fee fund		572,100
22	Horticulture fund.....		38,800
23	Industry support funds		248,000
24	State general fund/general purpose	\$	5,843,900
25	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
26	Full-time equated classified positions		63.5
27	Environmental stewardship - MAEAP--25.0 FTE positions	\$	10,236,600

1	Farmland and open space preservation--10.0 FTE	
2	positions.....	1,623,100
3	Intercounty drain--5.0 FTE positions	672,900
4	Migrant labor housing--9.0 FTE positions	1,206,800
5	Qualified forest program--9.0 FTE positions	2,351,200
6	Right-to-farm--5.5 FTE positions	<u>820,800</u>
7	GROSS APPROPRIATION	\$ 16,911,400
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDEQ, biosolids	88,500
11	Federal revenues:	
12	Department of Interior	96,300
13	EPA, multiple grants	558,700
14	USDA, multiple grants	822,300
15	Special revenue funds:	
16	Agricultural preservation fund	1,410,600
17	Freshwater protection fund	7,689,500
18	Migratory labor housing fund	139,200
19	Private forestland enhancement fund	480,200
20	State general fund/general purpose	\$ 5,626,100
21	Sec. 108. LABORATORY PROGRAM	
22	Full-time equated classified positions.....	107.0
23	Central licensing and customer call center--11.0 FTE	
24	positions.....	\$ 1,218,000
25	Consumer protection program--41.0 FTE positions	6,711,200
26	Laboratory services--42.0 FTE positions	6,829,000
27	USDA monitoring--13.0 FTE positions	<u>1,622,100</u>

1	GROSS APPROPRIATION	\$	16,380,300
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from LARA (LCC), liquor quality testing fees		218,600
5	Federal revenues:		
6	EPA, multiple grants		172,700
7	HHS, multiple grants		626,300
8	USDA, multiple grants		1,623,200
9	Special revenue funds:		
10	Agriculture licensing and inspection fees		231,400
11	Commodity inspection fees		1,100
12	Dairy and food safety fund		490,200
13	Feed control fund		186,600
14	Fertilizer control fund		24,000
15	Freshwater protection fund		45,000
16	Gasoline inspection and testing fund		1,472,900
17	Grain dealers fee fund		7,900
18	Migratory housing fund		28,600
19	Refined petroleum fund		3,197,100
20	Testing fees		265,000
21	Weights and measures regulation fees		720,000
22	State general fund/general purpose	\$	7,069,700
23	Sec. 109. AGRICULTURE DEVELOPMENT		
24	Full-time equated classified positions	17.0	
25	Agriculture development--12.0 FTE positions	\$	4,019,800
26	Food and agriculture investment program		2,500,000
27	Grape and wine program--3.0 FTE positions		927,000

1	Rural development fund grant program--1.0 FTE	
2	position.....	2,000,000
3	Statistical reporting service--1.0 FTE position	<u>204,700</u>
4	GROSS APPROPRIATION	\$ 9,651,500
5	Appropriated from:	
6	Federal revenues:	
7	USDA, multiple grants	2,307,700
8	Special revenue funds:	
9	Industry support funds	142,600
10	Nonretail liquor fees	877,900
11	Private - commodity group revenue	50,000
12	Rural development fund	2,000,000
13	State general fund/general purpose	\$ 4,273,300
14	Sec. 110. FAIRS AND EXPOSITIONS	
15	County fairs, shows, and expositions	\$ 300,400
16	Festivals and events	100
17	Fairs and racing	256,600
18	Licensed tracks - light horse racing	40,300
19	Light horse racing - breeders' awards	20,000
20	Purses and supplements - fairs/licensed tracks	708,300
21	Standardbred breeders' awards	345,900
22	Standardbred purses and supplements - licensed tracks	671,800
23	Standardbred sire stakes	275,000
24	Thoroughbred breeders' awards	368,600
25	Thoroughbred sire stakes	378,800
26	Thoroughbred supplements - licensed tracks	<u>601,900</u>
27	GROSS APPROPRIATION	\$ 3,967,700

House Bill No. 4323 as amended May 2, 2017

1 Appropriated from:

2 Special revenue funds:

3 Agriculture equine industry development fund 3,667,200

4 State general fund/general purpose \$ 300,500

5 **Sec. 111. ONE-TIME BASIS ONLY**

6 Double-up food bucks (statewide) \$ 750,000

7 Drinking water declaration of emergency 680,100

8 Enhanced wildlife risk management project 500,000

9 Intercounty drain 250,000

10 Tree fruit commission 1,250,000

11 Michigan State University state-of-the-art fruit

12 and vegetable processing mobile stand-alone units ... 1,200,000

13 [Michigan state university fruit and vegetable processing teaching
laboratory.....\$ 1,500,000]

14 GROSS APPROPRIATION \$ [6,130,100]

15 Appropriated from:

16 Drinking water declaration of emergency reserve fund . 100

17 State general fund/general purpose \$ [6,130,000]

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 FOR FISCAL YEAR 2017-2018

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 2017-2018 is [\$94,343,000.00] and state
25 spending from state resources to be paid to local units of
government for fiscal year 2017-2018 is \$6,850,000.00. The itemized

1 statement below identifies appropriations from which spending to
2 local units of government will occur:

3 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

4	Environmental stewardship/MAEAP	\$	4,250,000
5	Enhanced wildlife risk management project		500,000
6	Qualified forest program		1,500,000
7	Rural development fund grant program		<u>600,000</u>
8	TOTAL	\$	6,850,000

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.

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

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

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

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

(n) "MOU" means memorandum of understanding.

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

(p) "TB" means tuberculosis.

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

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 competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan 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 or supplies, or
8 both.

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

19 (a) The dates of each travel occurrence.

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

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

1 the attorney general. This prohibition does not apply to legal
2 services for bonding activities and for those outside services that
3 the attorney general authorizes.

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

13 Sec. 210. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$5,000,000.00 for
15 federal contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in part 1 under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

19 (2) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$6,000,000.00 for state
21 restricted 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 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$100,000.00 for local
27 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. 211. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following for each department or agency:

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

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

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

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

21 (e) Job specifications and wage rates.

22 Sec. 212. 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 senate and house appropriations
25 chairs, the subcommittees, respectively, and the senate and house
26 fiscal agencies with an annual report on estimated state restricted
27 fund balances, state restricted fund projected revenues, and state

1 restricted fund expenditures for the fiscal years ending September
2 30, 2017 and September 30, 2018.

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

7 Sec. 214. Total authorized appropriations from all sources
8 under part 1 for legacy costs for the fiscal year ending September
9 30, 2018 is \$12,400,000.00. From this amount, total agency
10 appropriations for pension-related legacy costs are estimated at
11 \$6,381,100.00. Total agency appropriations for retiree health care
12 legacy costs are estimated at \$6,018,900.00.

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

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

22 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

1 (b) Fruit and vegetable inspection and grading services at
2 shipping and termination points and processing plants.

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

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

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

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

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

22 (3) The department shall notify the subcommittees, the fiscal
23 agencies, and the state budget office 30 days prior to proposing
24 changes in fees authorized under this section or under section 5 of
25 1915 PA 91, MCL 285.35.

26 (4) On or before February 1 of each year, the department shall
27 provide a report to the subcommittees, the fiscal agencies, and the

1 state budget office detailing all the fees charged by the
2 department under the authorization provided in this section,
3 including, but not limited to, rates, number of individuals paying
4 each fee, and the revenue generated by each fee in the previous
5 fiscal year.

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

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

20 **FOOD AND DAIRY**

21 Sec. 401. (1) The department shall report on the previous
22 calendar year's activities of the food and dairy division. The
23 report shall include information on activities and outcomes of the
24 dairy safety and inspection program, the food safety inspection
25 program, the foodborne illness and emergency response program, and
26 the food service program.

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

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

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

ANIMAL INDUSTRY

Sec. 451. From the funds appropriated in part 1 for bovine tuberculosis, the department shall pay for all whole herd testing costs and individual animal testing costs in the modified accredited zone to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 452. The department shall report on the previous calendar

1 year's activities of the animal industry division. The report shall
2 be transmitted to the subcommittees, the fiscal agencies, and the
3 state budget office and posted to the department's website on or
4 before April 1 of each year.

5 Sec. 453. (1) From the funds appropriated in part 1 for animal
6 disease prevention and response, the department may provide for
7 indemnity pursuant to the animal industry act, 1988 PA 466, MCL
8 287.701 to 287.746, not to exceed \$100,000.00 per order. Any
9 indemnification agreement between the department and an owner of
10 livestock that exceeds \$100,000.00 shall be subject to specific
11 appropriation by the legislature.

12 (2) The department shall not make an indemnification payment
13 under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746,
14 until the department provides all of the following information to
15 the subcommittees, the fiscal agencies, and the state budget
16 office:

17 (a) The reason for the indemnification.

18 (b) The amount of the indemnification.

19 (3) From the funds appropriated in part 1 for indemnification
20 - livestock depredation, the department shall make indemnification
21 payments for livestock killed by a wolf, coyote, or cougar pursuant
22 to the wildlife depredation indemnification act, 2012 PA 487, MCL
23 285.361 to 285.365.

24 (4) The department shall include in the annual report required
25 under section 452 all indemnification payments for livestock
26 depredation made in the 15-month period ending December 31, 2017.
27 The report shall include all of the following information:

1 (a) The reason for the indemnification.

2 (b) The amount of the indemnification.

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

4 Sec. 454. The department shall use its resources to
5 collaborate with the USDA to monitor bovine TB, consistent with the
6 May 2014 memorandum of understanding between the department and the
7 USDA.

8 Sec. 457. (1) On or before October 15, 2017, the department
9 shall provide to the subcommittees, the fiscal agencies, and the
10 state budget office a report on bovine TB status and department
11 activities.

12 (2) For each fiscal quarter following the report required in
13 subsection (1), the department shall provide an update to the
14 subcommittees, the fiscal agencies, and the state budget office.
15 The quarterly update reports shall identify significant impacts to
16 the program, including new incidence of bovine TB in this state,
17 department activity associated with specific new incidence of
18 bovine TB, any changes in USDA requirements or movement orders,
19 information and data on: wildlife risk mitigation plan
20 implementation in the modified accredited zone; implementation of a
21 movement certificate process; progress toward annual surveillance
22 test requirements; efforts to work with slaughter facilities in
23 this state, as well as those that slaughter a significant number of
24 animals from this state; educational programs and information for
25 this state's livestock community; any other item the legislature
26 should be aware of that will promote or hinder efforts to achieve
27 bovine TB-free status for this state.

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

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

15 Sec. 461. (1) From the funds appropriated in part 1 for bovine
16 TB risk mitigation, the department shall establish a program to
17 identify and mitigate risks related to the transmission of bovine
18 TB from the wildlife to cattle. Risk mitigation activities shall
19 include matching grants to livestock producers to implement risk
20 mitigation projects. Risk mitigation matching grants made under
21 this section may provide no more than 50% of the cost of risk
22 mitigation projects. Grants under this section may be made only for
23 risk mitigation projects identified and approved by the department
24 prior to the start of project activity. The department may work
25 with local conservation districts in implementing the bovine TB
26 risk mitigation program.

27 (2) From the funds appropriated in part 1 for bovine TB risk

mitigation, not to exceed \$20,000.00, the department shall establish a matching grant program to assist in the construction of protective systems for apiaries. The department may make grants under this program to reimburse apiary owners for costs of projects designed to protect apiaries from damage by wildlife, subject to all of the following:

(a) Grants may not exceed \$250.00 per apiary site.

(b) Grants may not exceed 50% of project cost.

(c) Grants under this subsection may be made only for projects identified and approved by the department prior to the start of project activity.

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. The department shall report on the previous calendar year's activities of the pesticide and plant pest management division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

ENVIRONMENTAL STEWARDSHIP

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

1 Sec. 602. The department shall report on the previous calendar
2 year's activities of the environmental stewardship division. The
3 report shall be transmitted to the subcommittees, the fiscal
4 agencies, and the state budget office and posted to the
5 department's website on or before April 1 of each year.

6 Sec. 604. The department may receive and expend federal
7 revenues in excess of the federal revenue appropriated in part 1,
8 section 107, for environmental stewardship and MAEAP activities.
9 The department shall notify the subcommittees, the fiscal agencies,
10 and the state budget office prior to expending federal revenues
11 authorized under this section.

12 Sec. 608. (1) The appropriations in part 1 for qualified
13 forest affidavit program are for the purpose of increasing the
14 knowledge of nonindustrial private forestland owners of sound
15 forest management practices and increasing the amount of commercial
16 timber production from those lands.

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

21 LABORATORY PROGRAM

22 Sec. 651. The department shall report on the previous calendar
23 year's activities of the laboratory division. The report shall be
24 transmitted to the subcommittees, the fiscal agencies, and the
25 state budget office and posted to the department's website on or
26 before April 1 of each year.

1 **AGRICULTURE DEVELOPMENT**

2 Sec. 702. The department shall work with the rural development
3 fund board to establish a process and criteria for funding projects
4 as well as establishing metrics and measurable outcomes for the
5 program. Funds appropriated from the rural development fund shall
6 be used in accordance with the provisions of the rural development
7 fund act, 2012 PA 411, MCL 286.941 to 286.947.

8 Sec. 706. (1) From the funds appropriated in part 1 for
9 agriculture development, the department shall increase trade show
10 and export business visit attendance by 10 trade shows and 10
11 export business visits from the 2016-2017 fiscal year. The purpose
12 of this expansion is to promote the business of Michigan companies
13 and their products in global markets.

14 (2) The department shall report on the previous calendar
15 year's activities of the agriculture development division. The
16 report shall be transmitted to the subcommittees, the fiscal
17 agencies, and the state budget office and posted to the
18 department's website on or before April 1 of each year.

19 (3) The report shall include the following information on any
20 grants awarded during the prior fiscal year:

21 (a) The name of the grantee.

22 (b) The amount of the grant.

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

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

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

27 Sec. 709. (1) Not later than April 1 of the current fiscal

1 year, the department shall provide a report to the subcommittees,
2 fiscal agencies, and the state budget office describing the
3 activities of the grape and wine industry council established under
4 section 303 of the Michigan liquor control code of 1998, 1998 PA
5 58, MCL 436.1303.

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

7 (a) Council activities and accomplishments for the previous
8 fiscal year.

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

12 (c) Grants awarded during the previous fiscal year and the
13 results of research grant projects completed during the previous
14 fiscal year.

15 Sec. 711. (1) From the funds appropriated in part 1 for the
16 food and agriculture investment program, the department shall
17 establish and administer a food and agriculture investment program.

18 (2) The food and agriculture investment program shall expand
19 the Michigan food and agriculture sector, grow Michigan exports,
20 promote the development of value-added agricultural production,
21 food hubs, food incubators, and community-based processing
22 facilities, and the expansion of farm markets and urban
23 agriculture, and increase food processing activities within the
24 state by accelerating projects and infrastructure development that
25 support growth in the food and agriculture processing industry.

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

1 sources for the food and agriculture investment program.

2 (4) Before the allocation of funding, all projects shall
3 receive approval from the Michigan commission of agriculture and
4 rural development, except for projects selected through a
5 competitive process by a joint evaluation committee selected by the
6 director and consisting of representatives that have agriculture,
7 business, and economic development expertise. Projects funded
8 through the food and agriculture investment program will be
9 required to have a grant agreement that outlines milestones and
10 activities that must be met in order to receive a disbursement of
11 funds. Projects must also identify measurable project outcomes.

12 (5) The department shall include in the agriculture
13 development annual report a report on the food and agriculture
14 investment program for the previous fiscal year that includes a
15 listing of the grantees, award amounts, match funding, project
16 locations, and project outcomes.

17 (6) The food and agriculture investment program shall be
18 administered by the department and provide support for food and
19 agriculture projects that will enable growth in the industry and
20 this state's economy.

21 (7) The unexpended portion of the food and agriculture
22 investment program is a work project appropriation in accordance
23 with section 451a(1) of the management and budget act, 1984 PA 431,
24 MCL 18.1451a. All of the following apply to the project:

25 (a) The purpose of the project is to promote and expand the
26 Michigan food and agriculture sector, grow Michigan exports, and
27 increase food processing activities within the state.

(b) The project will be funded in accordance with this section and the project guidelines approved by the Michigan agriculture commission prior to an award.

(c) The estimated cost of this project is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2020.

(8) The department may expend money from the funds appropriated in part 1 for the food and agriculture investment program, including all of the following activities:

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance, including staffing and the promotion of agriculture exports and agriculture products at trade shows, buyers missions, food shows, trade missions, and other trade and export activities within the United States and internationally.

FAIRS AND EXPOSITIONS

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

Sec. 802. All appropriations from the agriculture equine

1 industry development fund, except for the Michigan gaming control
2 board's regulatory expenses and the department's expenses to
3 administer horse racing programs and laboratory analysis, shall be
4 reduced proportionately if revenues to the agriculture equine
5 industry development fund decline during the preceding fiscal year
6 to a level lower than the amounts appropriated in part 1.

7 Sec. 804. It is the intent of the legislature that the
8 Michigan gaming control board shall use actual expenditure data in
9 determining the actual regulatory costs of conducting racing dates
10 and shall provide that data to the senate and house of
11 representatives appropriations subcommittees on agriculture and
12 rural development and general government and the fiscal agencies by
13 November 1 of the current fiscal year. The Michigan gaming control
14 board shall not be reimbursed for more than the actual regulatory
15 cost of conducting race dates. If a certified horsemen's
16 organization funds more than the actual regulatory cost, the
17 balance shall remain in the agriculture equine industry development
18 fund to be used to fund subsequent race dates conducted by race
19 meeting licensees with which the certified horsemen's organization
20 has contracts. If a certified horsemen's organization funds less
21 than the actual regulatory costs of the additional horse racing
22 dates, the Michigan gaming control board shall reduce the number of
23 future race dates conducted by race meeting licensees with which
24 the certified horsemen's organization has contracts. Prior to the
25 reduction in the number of authorized race dates due to budget
26 deficits, the executive director of the Michigan gaming control
27 board shall provide notice to the certified horsemen's

1 organizations with an opportunity to respond with alternatives. In
2 determining actual costs, the Michigan gaming control board shall
3 take into account that each specific breed may require different
4 regulatory mechanisms.

5 Sec. 805. (1) The department shall establish and administer a
6 county fairs, shows, and expositions grant program. The program
7 shall have the following objectives:

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

10 (b) Provide financial support, promotion, prizes, and premiums
11 of equine, livestock, and other agricultural commodity expositions
12 in the state.

13 (2) The department shall award grants on a competitive basis
14 to county fairs or other organizations from the funds appropriated
15 in part 1 for county fairs, shows, and expositions grants. Grantees
16 will be required to provide a dollar-for-dollar cash match with
17 grant awards and identify measurable project outcomes. A county
18 fair organization that received a county fair capital improvement
19 grant in the prior fiscal year shall not receive a grant from the
20 appropriation in part 1.

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

26 (4) All fairs receiving grants under this section shall
27 provide a report to the department on the financial impact

1 resulting from the capital improvement project on both fair and
2 nonfair events. These reports are due for 3 years immediately
3 following the completion of the capital improvement project.

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

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

10 (7) The unexpended portion of the county fairs, shows, and
11 expositions grants is considered a work project appropriation in
12 accordance with section 451a of the management and budget act, 1984
13 PA 431, MCL 18.1451a. The following apply to the project:

14 (a) The purpose of the project is to support building
15 improvements or other capital improvements at county fairgrounds of
16 the state.

17 (b) All grants will be distributed in accordance with this
18 section and the grant guidelines published prior to the request for
19 proposals.

20 (c) The estimated cost of the project is identified in the
21 appropriation line item.

22 (d) The tentative completion date for the work project is
23 September 30, 2020.

24 (8) The department shall provide a year-end report on the
25 county fairs, shows, and expositions grants no later than December
26 1, 2018 to the subcommittees, the fiscal agencies, and the state
27 budget director that includes a listing of the grantees, award

1 amounts, match funding, and project outcomes.

2 **ONE-TIME APPROPRIATIONS**

3 Sec. 901. (1) From the funds appropriated in part 1 for the
4 drinking water declaration of emergency, the department shall
5 allocate funds to address needs in a city in which a declaration of
6 emergency was issued because of drinking water contamination. These
7 funds may support, but are not limited to, the following
8 activities:

9 (a) Genesee County food inspectors to perform water testing at
10 local food service establishments.

11 (b) Nutritional incentives provided to local residents through
12 the double up food bucks expansion program.

13 (2) The unexpended funds appropriated for drinking water
14 declaration of emergency are designated as a work project
15 appropriation, and any unencumbered or unexpended funds shall not
16 lapse at the end of the fiscal year and shall be available for
17 expenditure for projects under this section until the projects have
18 been completed. The following is in compliance with section 451a of
19 the management and budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the project is to address needs in a city
21 in which a declaration of emergency was issued because of drinking
22 water contamination.

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

25 (c) The total estimated cost of the project is appropriated in
26 part 1.

(d) The tentative completion date is September 30, 2019.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, 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 2018 consensus revenue estimating conference.

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, 2018, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

1	Average population	41,000	
2	Full-time equated unclassified positions	16.0	
3	Full-time equated classified positions	13,803.9	
4	GROSS APPROPRIATION		\$ 2,007,919,200
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		0
8	ADJUSTED GROSS APPROPRIATION		\$ 2,007,919,200
9	Federal revenues:		
10	Total federal revenues		5,293,800
11	Special revenue funds:		
12	Total local revenues		8,842,400
13	Total private revenues		0
14	Total other state restricted revenues		39,649,400
15	State general fund/general purpose		\$ 1,954,133,600
16	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
17	Full-time equated unclassified positions	16.0	
18	Full-time equated classified positions	270.0	
19	Unclassified salaries--16.0 FTE positions		\$ 1,847,600
20	Administrative hearings officers		3,231,400
21	Budget and operations administration--188.0 FTE		
22	positions.....		25,322,500
23	Compensatory buyout and union leave bank		100
24	County jail reimbursement program		15,064,600
25	Equipment and special maintenance		1,559,700
26	Executive direction--20.0 FTE positions		4,238,300
27	Judicial data warehouse user fees		50,600

1	New custody staff training	9,411,200
2	Prison industries operations--62.0 FTE positions	9,893,600
3	Property management	2,413,100
4	Prosecutorial and detainer expenses	5,001,000
5	Sheriffs' coordinating and training office	100,000
6	Worker's compensation	<u>10,482,200</u>
7	GROSS APPROPRIATION	\$ 88,615,900
8	Appropriated from:	
9	Federal revenues:	
10	DOJ, prison rape elimination act grant	674,700
11	Special revenue funds:	
12	Correctional industries revolving fund	9,893,600
13	Correctional industries revolving fund 110	614,900
14	Jail reimbursement program fund	5,900,000
15	Local corrections officer training fund	100,000
16	Program and special equipment fund	100
17	State general fund/general purpose	\$ 71,432,600
18	Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT	
19	Full-time equated classified positions 338.4	
20	Community corrections comprehensive plans and services \$	12,158,000
21	Education program--266.4 FTE positions	37,739,100
22	Felony drunk driver jail reduction and community	
23	treatment program.....	1,440,100
24	Goodwill Flip the Script	1,500,000
25	Prisoner reentry federal grants	751,000
26	Prisoner reentry local service providers	13,208,600
27	Prisoner reentry MDOC programs	10,124,100

1	Public safety initiative	1,000,000
2	Reentry services--72.0 FTE positions	15,264,300
3	Residential services	<u>15,475,500</u>
4	GROSS APPROPRIATION	\$ 108,660,700
5	Appropriated from:	
6	Federal revenues:	
7	DOJ, prisoner reintegration	751,000
8	Federal education funding	1,523,600
9	Special revenue funds:	
10	Program and special equipment fund	8,713,200
11	State general fund/general purpose	\$ 97,672,900
12	Sec. 104. FIELD OPERATIONS ADMINISTRATION	
13	Full-time equated classified positions	2,192.6
14	Criminal justice reinvestment	\$ 4,573,300
15	Detroit Detention Center--63.1 FTE positions	8,567,400
16	Detroit Reentry Center--223.0 FTE positions	28,129,400
17	Field operations--1,873.5 FTE positions	214,438,600
18	Parole board operations--33.0 FTE positions	3,850,100
19	Parole/probation services	940,000
20	Parole sanction certainty program	1,440,000
21	Residential alternative to prison program	<u>1,500,000</u>
22	GROSS APPROPRIATION	\$ 263,438,800
23	Appropriated from:	
24	Special revenue funds:	
25	Local - community tether program reimbursement	275,000
26	Local revenues	8,567,400
27	Parole and probation oversight fees	4,428,000

1	Parole and probation oversight fees set-aside	940,000
2	Reentry center offender reimbursements	10,000
3	Tether program participant contributions	2,480,500
4	State general fund/general purpose	\$ 246,737,900
5	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION	
6	Full-time equated classified positions	311.0
7	Central records--44.0 FTE positions	\$ 5,178,100
8	Correctional facilities administration--21.0 FTE	
9	positions.....	5,084,000
10	Housing inmates in federal institutions	611,000
11	Inmate housing fund	100
12	Inmate legal services	590,900
13	Leased beds and alternatives to leased beds	100
14	Prison food service	58,491,900
15	Prison store operations--34.0 FTE positions	3,323,600
16	Public works programs	1,000,000
17	Transportation--212.0 FTE positions	<u>25,570,300</u>
18	GROSS APPROPRIATION	\$ 99,850,000
19	Appropriated from:	
20	Federal revenues:	
21	DOJ-BOP, federal prisoner reimbursement	411,000
22	SSA-SSI, incentive payment	272,000
23	Special revenue funds:	
24	Correctional industries revolving fund 110	570,900
25	Public works user fees	1,000,000
26	Resident stores	3,323,600
27	State general fund/general purpose	\$ 94,272,500

1 Sec. 106. HEALTH CARE

2	Full-time equated classified positions	1,466.1	
3	Clinical complexes--1,052.1 FTE positions		\$ 145,809,400
4	Health care administration--22.0 FTE positions		3,818,700
5	Healthy Michigan plan administration--12.0 FTE		
6	positions.....		1,107,300
7	Hepatitis C treatment		6,735,500
8	Interdepartmental grant to health and human services,		
9	eligibility specialists.....		116,000
10	Mental health services and support--372.0 FTE		
11	positions.....		61,244,200
12	Prisoner health care services		73,942,800
13	Substance abuse testing and treatment services--8.0		
14	FTE positions.....		21,596,300
15	Vaccination program		<u>691,200</u>
16	GROSS APPROPRIATION		\$ 315,061,400
17	Appropriated from:		
18	Federal revenues:		
19	DOJ, Office of Justice Programs, RSAT		250,200
20	Federal revenues and reimbursements		376,500
21	Special revenue funds:		
22	Prisoner health care copayments		257,200
23	State general fund/general purpose		\$ 314,177,500
24	Sec. 107. CORRECTIONAL FACILITIES		
25	Average population.....	41,000	
26	Full-time equated classified positions	9,225.8	
27	Alger Correctional Facility - Munising--260.0 FTE		

1	positions.....	\$	30,945,800
2	Baraga Correctional Facility - Baraga--294.8 FTE		
3	positions.....		35,688,200
4	Bellamy Creek Correctional Facility - Ionia--390.2 FTE		
5	positions.....		44,219,200
6	Carson City Correctional Facility - Carson City--425.4		
7	FTE positions.....		48,952,600
8	Central Michigan Correctional Facility - St. Louis--		
9	388.6 FTE positions.....		46,460,300
10	Charles E. Egeler Correctional Facility - Jackson--		
11	382.6 FTE positions.....		45,690,000
12	Chippewa Correctional Facility - Kincheloe--445.6 FTE		
13	positions.....		51,628,100
14	Cooper Street Correctional Facility - Jackson--263.1		
15	FTE positions.....		29,999,800
16	Earnest C. Brooks Correctional Facility - Muskegon--		
17	440.9 FTE positions.....		51,192,500
18	G. Robert Cotton Correctional Facility - Jackson--		
19	394.0 FTE positions.....		45,054,700
20	Gus Harrison Correctional Facility - Adrian--442.6 FTE		
21	positions.....		49,856,800
22	Ionia Correctional Facility - Ionia--286.3 FTE		
23	positions.....		34,259,900
24	Kinross Correctional Facility - Kincheloe--257.6 FTE		
25	positions.....		32,747,300
26	Lakeland Correctional Facility - Coldwater--278.4 FTE		
27	positions.....		33,505,000

1	Macomb Correctional Facility - New Haven--294.8 FTE	
2	positions.....	35,016,900
3	Marquette Branch Prison - Marquette--321.7 FTE	
4	positions.....	39,625,000
5	Michigan Reformatory - Ionia--310.7 FTE positions	35,645,200
6	Muskegon Correctional Facility - Muskegon--205.0 FTE	
7	positions.....	25,637,900
8	Newberry Correctional Facility - Newberry--200.1 FTE	
9	positions.....	24,618,700
10	Oaks Correctional Facility - Eastlake--290.4 FTE	
11	positions.....	34,425,900
12	Ojibway Correctional Facility - Marenisco--203.1 FTE	
13	positions.....	23,689,900
14	Parnall Correctional Facility - Jackson--262.1 FTE	
15	positions.....	28,947,300
16	Richard A. Handlon Correctional Facility - Ionia--	
17	252.7 FTE positions.....	30,442,600
18	Saginaw Correctional Facility - Freeland--274.9 FTE	
19	positions.....	33,291,500
20	Special Alternative Incarceration Program - Cassidy	
21	Lake--119.0 FTE positions.....	13,869,400
22	St. Louis Correctional Facility - St. Louis--303.6 FTE	
23	positions.....	37,497,500
24	Thumb Correctional Facility - Lapeer--283.6 FTE	
25	positions.....	33,353,100
26	Women's Huron Valley Correctional Complex - Ypsilanti--	
27	506.1 FTE positions.....	60,163,400

1	Woodland Correctional Facility - Whitmore Lake--278.9	
2	FTE positions.....	32,824,200
3	Northern region administration and support--48.0 FTE	
4	positions.....	4,789,600
5	Southern region administration and support--121.0 FTE	
6	positions.....	<u>23,503,100</u>
7	GROSS APPROPRIATION	\$ 1,097,541,400
8	Appropriated from:	
9	Federal revenues:	
10	DOJ, state criminal assistance program	1,034,800
11	Special revenue funds:	
12	State restricted fees, revenues, and reimbursements ..	102,100
13	State general fund/general purpose	\$ 1,096,404,500
14	Sec. 108. INFORMATION TECHNOLOGY	
15	Information technology services and projects	\$ <u>30,392,000</u>
16	GROSS APPROPRIATION	\$ 30,392,000
17	Appropriated from:	
18	Special revenue funds:	
19	Correctional industries revolving fund 110	177,500
20	Parole and probation oversight fees set-aside	696,600
21	Program and special equipment fund	441,200
22	State general fund/general purpose	\$ 29,076,700
23	Sec. 109. ONE-TIME APPROPRIATIONS	
24	New custody staff training	\$ <u>4,359,000</u>
25	GROSS APPROPRIATION	\$ 4,359,000
26	Appropriated from:	
27	State general fund/general purpose	\$ 4,359,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$1,993,783,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$110,888,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations	\$	62,750,500
Community corrections comprehensive plans		
and services		12,158,000
Reentry services		1,500,000
Residential services		15,475,500
County jail reimbursement program		15,064,600
Felony drunk driver jail reduction and		
community treatment program		1,440,100
Leased beds and alternatives to leased beds		100
Residential alternative to prison program		1,500,000
Public safety initiative		1,000,000
TOTAL	\$	110,888,800

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.

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

2 (a) "Administrative segregation" means confinement for
3 maintenance of order or discipline to a cell or room apart from
4 accommodations provided for inmates who are participating in
5 programs of the facility.

6 (b) "Cost per prisoner" means the sum total of the funds
7 appropriated under part 1 for the following, divided by the
8 projected prisoner population in fiscal year 2017-2018:

9 (i) Correctional facilities.

10 (ii) Northern and southern region administration and support.

11 (iii) Clinical and mental health services and support.

12 (iv) Prisoner health care services.

13 (v) Vaccination program.

14 (vi) Prison food service.

15 (vii) Transportation.

16 (viii) Inmate legal services.

17 (ix) Correctional facilities administration.

18 (x) Central records.

19 (xi) Worker's compensation.

20 (xii) New custody staff training.

21 (xiii) Prison store operations.

22 (xiv) Education program.

23 (c) "Department" or "MDOC" means the Michigan department of
24 corrections.

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

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

27 (f) "EPIC program" means the department's effective process

1 improvement and communications program.

2 (g) "Evidence-based" means a decision-making process that
3 integrates the best available research, clinician expertise, and
4 client characteristics.

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

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

11 (j) "IDG" means interdepartmental grant.

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

15 (l) "MDHHS" means the Michigan department of health and human
16 services.

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

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

21 (o) "Objective risk and needs assessment" means an evaluation
22 of an offender's criminal history; the offender's noncriminal
23 history; and any other factors relevant to the risk the offender
24 would present to the public safety, including, but not limited to,
25 having demonstrated a pattern of violent behavior, and a criminal
26 record that indicates a pattern of violent offenses.

27 (p) "OCC" means the office of community corrections.

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

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

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

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

21 (i) A felon or misdemeanant who receives a sentencing
22 disposition that appears to be in place of incarceration in a state
23 correctional facility or jail, according to historical local
24 sentencing patterns.

25 (ii) A currently incarcerated felon or misdemeanant who is
26 granted early release from incarceration to a community corrections
27 program or who is granted early release from incarceration as a

1 result of a community corrections program.

2 (u) "Programmatic success" means that the department program
3 or initiative has ensured that the offender has accomplished all of
4 the following:

5 (i) Obtained employment, has enrolled or participated in a
6 program of education or job training, or has investigated all bona
7 fide employment opportunities.

8 (ii) Obtained housing.

9 (iii) Obtained a state identification card.

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

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

14 (x) "Serious emotional disturbance" means that term as defined
15 in section 100d(2) of the mental health code, 1974 PA 328, MCL
16 330.1100d.

17 (y) "Serious mental illness" means that term as defined in
18 section 100d(3) of the mental health code, 1974 PA 328, MCL
19 330.1100d.

20 (z) "SSA" means the United States Social Security
21 Administration.

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

23 Sec. 204. The department shall use the internet to fulfill the
24 reporting requirements of this part. This requirement may include
25 transmission of reports via electronic mail to the recipients
26 identified for each reporting requirement, or it may include
27 placement of reports on an internet or intranet site.

1 Sec. 205. Funds appropriated in part 1 shall not be used for
2 the purchase of foreign goods or services, or both, if
3 competitively priced and of comparable quality American goods or
4 services, or both, are available. Preference shall be given to
5 goods or services, or both, manufactured or provided by Michigan
6 businesses, if they are competitively priced and of comparable
7 quality. In addition, preference should be given to goods or
8 services, or both, that are manufactured or provided by Michigan
9 businesses owned and operated by veterans, if they are
10 competitively priced and of comparable quality.

11 Sec. 206. The department shall not take disciplinary action
12 against an employee or a prisoner for communicating with a member
13 of the legislature or his or her staff.

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

23 (a) The dates of each travel occurrence.

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

1 and the proportion funded with other revenues.

2 Sec. 208. Funds appropriated in part 1 shall not be used by
3 the department to hire a person to provide legal services that are
4 the responsibility of the attorney general. This prohibition does
5 not apply to legal services for bonding activities and for those
6 outside services that the attorney general authorizes.

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

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

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$10,000,000.00 for state
23 restricted 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.

27 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$2,000,000.00 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 \$2,000,000.00 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. 211. The department shall cooperate with the department
13 of technology, management, and budget to maintain a searchable
14 website accessible by the public at no cost that includes, but is
15 not limited to, all of the following for the department:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 212. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the chairpersons of the senate and
27 house appropriations committees, the chairpersons of the senate and

1 house appropriations subcommittees on corrections, and the senate
2 and house fiscal agencies with an annual report on estimated state
3 restricted fund balances, state restricted fund projected revenues,
4 and state restricted fund expenditures for the fiscal years ending
5 September 30, 2017 and September 30, 2018.

6 Sec. 213. The department shall maintain, on a publicly
7 accessible website, a department scorecard that identifies, tracks,
8 and regularly updates key metrics that are used to monitor and
9 improve the department's performance.

10 Sec. 214. Total authorized appropriations from all sources
11 under part 1 for legacy costs for the fiscal year ending September
12 30, 2018 are estimated at \$283,300,700.00. From this amount, total
13 agency appropriations for pension-related legacy costs are
14 estimated at \$145,788,300.00. Total agency appropriations for
15 retiree health care legacy costs are estimated at \$137,512,400.00.

16 Sec. 215. It is the intent of the legislature that the
17 department establish and maintain a management-to-staff ratio of
18 not more than 1 supervisor for each 8 employees at the department's
19 central office in Lansing and at both the northern and southern
20 region administration offices.

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

27 (2) Revenues appropriated and collected for program and

1 special equipment funds shall be considered state restricted
2 revenue. Funding shall be used for prisoner programming, special
3 equipment, and security projects. Unexpended funds remaining at the
4 close of the fiscal year shall not lapse to the general fund but
5 shall be carried forward and be available for appropriation in
6 subsequent fiscal years.

7 (3) The department shall submit a report to the senate and
8 house appropriations subcommittees on corrections, the senate and
9 house fiscal agencies, the legislative corrections ombudsman, and
10 the state budget director by February 1 outlining revenues and
11 expenditures from program and special equipment funds. The report
12 shall include all of the following:

13 (a) A list of all individual projects and purchases financed
14 with program and special equipment funds in the immediately
15 preceding fiscal year, the amounts expended on each project or
16 purchase, and the name of each vendor the products or services were
17 purchased from.

18 (b) A list of planned projects and purchases to be financed
19 with program and special equipment funds during the current fiscal
20 year, the amounts to be expended on each project or purchase, and
21 the name of each vendor for which the products or services were
22 purchased.

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

25 Sec. 220. The department may charge fees and collect revenues
26 in excess of appropriations in part 1 not to exceed the cost of
27 offender services and programming, employee meals, parolee loans,

1 academic/vocational services, custody escorts, compassionate
2 visits, union steward activities, and public works programs and
3 services provided to local units of government or private nonprofit
4 organizations. The revenues and fees collected are appropriated for
5 all expenses associated with these services and activities.

6 Sec. 221. In cooperation with the state court administrative
7 office, the department shall assist with the data compilation for
8 the swift and sure sanctions program.

9 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

10 Sec. 301. For 3 years after a felony offender is released from
11 the department's jurisdiction, the department shall maintain the
12 offender's file on the offender tracking information system and
13 make it publicly accessible in the same manner as the file of the
14 current offender. However, the department shall immediately remove
15 the offender's file from the offender tracking information system
16 upon determination that the offender was wrongfully convicted and
17 the offender's file is not otherwise required to be maintained on
18 the offender tracking information system.

19 Sec. 304. The department shall maintain a staff savings
20 initiative program in conjunction with the EPIC program for
21 employees to submit suggestions for efficiencies for the
22 department. The department shall consider each suggestion in a
23 timely manner. By March 1, the department shall report to the
24 senate and house appropriations subcommittees on corrections, the
25 legislative corrections ombudsman, the senate and house fiscal
26 agencies, and the state budget director on process improvements

1 that were implemented based on suggestions that were recommended
2 for implementation from the staff savings initiative and EPIC
3 programs.

4 Sec. 305. From the funds appropriated in part 1 for
5 prosecutorial and detainer expenses, the department shall reimburse
6 counties for housing and custody of parole violators and offenders
7 being returned by the department from community placement who are
8 available for return to institutional status and for prisoners who
9 volunteer for placement in a county jail.

10 Sec. 306. Funds included in part 1 for the sheriffs'
11 coordinating and training office are appropriated for and may be
12 expended to defray costs of continuing education, certification,
13 recertification, decertification, and training of local corrections
14 officers, the personnel and administrative costs of the sheriffs'
15 coordinating and training office, the local corrections officers
16 advisory board, and the sheriffs' coordinating and training council
17 under the local corrections officers training act, 2003 PA 125, MCL
18 791.531 to 791.546.

19 Sec. 307. The department shall issue an annual report for all
20 vendor contracts to the senate and house appropriations
21 subcommittees on corrections, the senate and house fiscal agencies,
22 the legislative corrections ombudsman, and the state budget
23 director. The report shall cover service contracts with a value of
24 \$5,000,000.00 or more and include all of the following:

25 (a) The original start date and the current expiration date of
26 each contract.

27 (b) The number, if any, of contract compliance monitoring site

1 visits completed by the department for each vendor.

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

5 Sec. 308. The department shall provide for the training of all
6 custody staff in effective and safe ways of handling prisoners with
7 mental illness and referring prisoners to mental health treatment
8 programs. Mental health awareness training shall be incorporated
9 into the training of new custody staff.

10 Sec. 309. The department shall issue a report for all
11 correctional facilities to the senate and house appropriations
12 subcommittees on corrections, the senate and house fiscal agencies,
13 and the legislative corrections ombudsman by January 1 setting
14 forth the following information for each facility: its name, street
15 address, and date of construction; its current maintenance costs;
16 any maintenance planned; its current utility costs; its expected
17 future capital improvement costs; the current unspent balance of
18 any authorized capital outlay projects, including the original
19 authorized amount; and its expected future useful life.

20 Sec. 310. (1) By February 1, the department shall provide a
21 report to the senate and house appropriations subcommittees on
22 corrections, the senate and house fiscal agencies, the legislative
23 corrections ombudsman, and the state budget director which details
24 the strategic plan of the department. The report shall contain
25 strategies to decrease the overall recidivism rate, measurable
26 plans to increase the rehabilitative function of correctional
27 facilities, metrics to track and ensure prisoner readiness to

1 reenter society, and constructive actions for providing prisoners
2 with life skills development.

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

8 **PRISONER REENTRY AND COMMUNITY SUPPORT**

9 Sec. 401. The department shall submit 3-year and 5-year prison
10 population projection updates concurrent with submission of the
11 executive budget recommendation to the senate and house
12 appropriations subcommittees on corrections, the legislative
13 corrections ombudsman, the senate and house fiscal agencies, and
14 the state budget director. The report shall include explanations of
15 the methodology and assumptions used in developing the projection
16 updates.

17 Sec. 402. By March 1, the department shall provide a report on
18 prisoner reentry expenditures and allocations to the members of the
19 senate and house appropriations subcommittees on corrections, the
20 legislative corrections ombudsman, the senate and house fiscal
21 agencies, and the state budget director. At a minimum, the report
22 shall include information on both of the following:

23 (a) Details on prior-year expenditures, including amounts
24 spent on each project funded, itemized by service provided and
25 service provider.

26 (b) Allocations and planned expenditures for each project

1 funded and for each project to be funded, itemized by service to be
2 provided and service provider. The department shall provide an
3 amended report quarterly, if any revisions to allocations or
4 planned expenditures occurred during that quarter.

5 Sec. 407. By June 30, the department shall place the
6 statistical report from the immediately preceding calendar year on
7 an internet site. The statistical report shall include, but not be
8 limited to, the information as provided in the 2004 statistical
9 report.

10 Sec. 408. The department shall measure the recidivism rates of
11 offenders.

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

24 (2) The department may continue to offer workforce development
25 programming through the entire duration of the prisoner's
26 incarceration to encourage employment upon release.

27 (3) By March 1, the department shall provide a report to the

1 senate and house appropriations subcommittees on corrections, the
2 legislative corrections ombudsman, and the senate and house fiscal
3 agencies detailing the results of the workforce development
4 program.

5 Sec. 410. (1) The funds included in part 1 for community
6 corrections comprehensive plans and services are to encourage the
7 development through technical assistance grants, implementation,
8 and operation of community corrections programs that enhance
9 offender success and that also may serve as an alternative to
10 incarceration in a state facility or jail. The comprehensive
11 corrections plans shall include an explanation of how the public
12 safety will be maintained, the goals for the local jurisdiction,
13 offender target populations intended to be affected, offender
14 eligibility criteria for purposes outlined in the plan, and how the
15 plans will meet the following objectives, consistent with section
16 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

19 (b) Improve the appropriate utilization of jail facilities,
20 the first priority of which is to open jail beds intended to house
21 otherwise prison-bound felons, and the second priority being to
22 appropriately utilize jail beds so that jail crowding does not
23 occur.

24 (c) Open jail beds through the increase of pretrial release
25 options.

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

27 (e) Reduce the admission or readmission to prison of

1 offenders, including probation violators and parole violators, for
2 substance abuse violations.

3 (f) Contribute to offender success.

4 (2) The award of community corrections comprehensive plans and
5 residential services funds shall be based on criteria that include,
6 but are not limited to, the prison commitment rate by category of
7 offenders, trends in prison commitment rates and jail utilization,
8 historical trends in community corrections program capacity and
9 program utilization, and the projected impact and outcome of annual
10 policies and procedures of programs on offender success, prison
11 commitment rates, and jail utilization.

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

17 Sec. 411. The comprehensive corrections plans shall also
18 include, where appropriate, descriptive information on the full
19 range of sanctions and services that are available and utilized
20 within the local jurisdiction and an explanation of how jail beds,
21 residential services, the special alternative incarceration
22 program, probation detention centers, the electronic monitoring
23 program for probationers, and treatment and rehabilitative services
24 will be utilized to support the objectives and priorities of the
25 comprehensive corrections plans and the purposes and priorities of
26 section 8(4) of the community corrections act, 1988 PA 511, MCL
27 791.408, that contribute to the success of offenders. The plans

1 shall also include, where appropriate, provisions that detail how
2 the local communities plan to respond to sentencing guidelines
3 found in chapter XVII of the code of criminal procedure, 1927 PA
4 175, MCL 777.1 to 777.69, and use the county jail reimbursement
5 program under section 414. The state community corrections board
6 shall encourage local community corrections advisory boards to
7 include in their comprehensive corrections plans strategies to
8 collaborate with local alcohol and drug treatment agencies of the
9 MDHHS for the provision of alcohol and drug screening, assessment,
10 case management planning, and delivery of treatment to alcohol- and
11 drug-involved offenders.

12 Sec. 412. (1) As part of the March biannual report specified
13 in section 12(2) of the community corrections act, 1988 PA 511, MCL
14 791.412, that requires an analysis of the impact of that act on
15 prison admissions and jail utilization, the department shall submit
16 to the senate and house appropriations subcommittees on
17 corrections, the legislative corrections ombudsman, the senate and
18 house fiscal agencies, and the state budget director the following
19 information for each county and counties consolidated for
20 comprehensive corrections plans:

21 (a) Approved technical assistance grants and comprehensive
22 corrections plans including each program and level of funding, the
23 utilization level of each program, and profile information of
24 enrolled offenders.

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

1 (c) Status of the community corrections information system and
2 the jail population information system.

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

6 (e) Offender disposition data by sentencing guideline range,
7 by disposition type, by prior record variable score, by number and
8 percent statewide and by county, current year, and comparisons to
9 the previous 3 years.

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

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

15 Sec. 413. (1) The department shall identify and coordinate
16 information regarding the availability of and the demand for
17 community corrections programs, jail-based community corrections
18 programs, jail-based probation violation sanctions, and all state-
19 required jail data.

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

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

25 Sec. 414. (1) The department shall administer a county jail
26 reimbursement program from the funds appropriated in part 1 for the
27 purpose of reimbursing counties for housing in jails certain felons

1 who otherwise would have been sentenced to prison.

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

6 (a) The felon's sentencing guidelines recommended range upper
7 limit is more than 18 months, the felon's sentencing guidelines
8 recommended range lower limit is 12 months or less, the felon's
9 prior record variable score is 35 or more points, and the felon's
10 sentence is not for commission of a crime in crime class G or crime
11 class H or a nonperson crime in crime class F under chapter XVII of
12 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

13 (b) The felon's minimum sentencing guidelines range minimum is
14 more than 12 months under the sentencing guidelines described in
15 subdivision (a).

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

21 (3) State reimbursement under this subsection shall be \$65.00
22 per diem per diverted offender for offenders with a presumptive
23 prison guideline score, \$55.00 per diem per diverted offender for
24 offenders with a straddle cell guideline for a group 1 crime, and
25 \$40.00 per diem per diverted offender for offenders with a straddle
26 cell guideline for a group 2 crime. Reimbursements shall be paid
27 for sentences up to a 1-year total.

1 (4) As used in this subsection:

2 (a) "Group 1 crime" means a crime in 1 or more of the
3 following offense categories: arson, assault, assaultive other,
4 burglary, criminal sexual conduct, homicide or resulting in death,
5 other sex offenses, robbery, and weapon possession as determined by
6 the department of corrections based on specific crimes for which
7 counties received reimbursement under the county jail reimbursement
8 program in fiscal year 2007 and fiscal year 2008, and listed in the
9 county jail reimbursement program document titled "FY 2007 and FY
10 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

15 (c) "In the custody of the sheriff" means that the convicted
16 felon has been sentenced to the county jail and is either housed in
17 the county jail or has been released from jail and is being
18 monitored through the use of the sheriff's electronic monitoring
19 system.

20 (5) County jail reimbursement program expenditures shall not
21 exceed the amount appropriated in part 1 for the county jail
22 reimbursement program. Payments to counties under the county jail
23 reimbursement program shall be made in the order in which properly
24 documented requests for reimbursements are received. A request
25 shall be considered to be properly documented if it meets MDOC
26 requirements for documentation. By October 15, the department shall
27 distribute the documentation requirements to all counties.

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

7 Sec. 416. Allowable uses of felony drunk driver jail reduction
8 and community treatment program funding shall include reimbursing
9 counties for transportation, treatment costs, and housing felony
10 drunk drivers during a period of assessment for treatment and case
11 planning. Reimbursements for housing during the assessment process
12 shall be at the rate of \$43.50 per day per offender, up to a
13 maximum of 5 days per offender.

14 Sec. 417. (1) By March 1, the department shall report to the
15 members of the senate and house appropriations subcommittees on
16 corrections, the legislative corrections ombudsman, the senate and
17 house fiscal agencies, and the state budget director on each of the
18 following programs from the previous fiscal year:

19 (a) The county jail reimbursement program.

20 (b) The felony drunk driver jail reduction and community
21 treatment program.

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

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

26 (a) Program objectives and outcome measures, including, but
27 not limited to, the number of offenders who successfully completed

1 the program, and the number of offenders who successfully remained
2 in the community during the 3 years following termination from the
3 program.

4 (b) Expenditures by location.

5 (c) The impact on jail utilization.

6 (d) The impact on prison admissions.

7 (e) Other information relevant to an evaluation of the
8 program.

9 Sec. 418. (1) The department shall collaborate with the state
10 court administrative office on facilitating changes to Michigan
11 court rules that would require the court to collect at the time of
12 sentencing the state operator's license, state identification card,
13 or other documentation used to establish the identity of the
14 individual to be admitted to the department. The department shall
15 maintain those documents in the prisoner's personal file.

16 (2) The department shall cooperate with MDHHS to create and
17 maintain a process by which prisoners can obtain their Michigan
18 birth certificates if necessary. The department shall describe a
19 process for obtaining birth certificates from other states, and in
20 situations where the prisoner's effort fails, the department shall
21 assist in obtaining the birth certificate.

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

26 Sec. 419. (1) The department shall provide weekly electronic
27 mail reports to the senate and house appropriations subcommittees

1 on corrections, the legislative corrections ombudsman, the senate
2 and house fiscal agencies, and the state budget director on
3 prisoner populations by security levels by facility, prison
4 facility capacities, and parolee and probationer populations.

5 (2) The department shall provide monthly electronic mail
6 reports to 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. The reports
9 shall include information on end-of-month prisoner populations in
10 county jails, the net operating capacity according to the most
11 recent certification report, identified by date, and end-of-month
12 data, year-to-date data, and comparisons to the prior year for the
13 following:

14 (a) Community residential program populations, separated by
15 centers and electronic monitoring.

16 (b) Parole populations.

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

19 (d) Prison and camp populations, with separate identification
20 of the number in special alternative incarceration and the number
21 of lifers.

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

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

25 (g) Prisoner exits, identifying transfers to community
26 placement, paroles from prisons and camps, paroles from community
27 placement, total movements to parole, prison intake, prisoner

1 deaths, prisoners discharging on the maximum sentence, and other
2 prisoner exits.

3 (h) Prison intake and returns, including probation violators,
4 new court commitments, violators with new sentences, escaper new
5 sentences, total prison intake, returns from court with additional
6 sentences, community placement returns, technical parole violator
7 returns, and total returns to prison and camp.

8 Sec. 421. (1) Funds appropriated in part 1 for the parole
9 sanction certainty program shall be distributed to an American
10 Correctional Association accredited rehabilitation organization
11 operating in any of the following counties: Berrien, Calhoun,
12 Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland, Saginaw, and
13 Wayne for operations and administration of the program. The program
14 may be utilized as a condition of parole for technical parole
15 violators to ensure public safety and justice through a program
16 based on evidence-based tactics and programs.

17 (2) The program or programs selected shall report by March 30
18 to the department, the senate and house appropriations
19 subcommittees on corrections, the senate and house fiscal agencies,
20 the legislative corrections ombudsman, and the state budget
21 director. The report shall include program performance
22 measurements, the number of individuals who participate in the
23 program, the number of individuals who return to prison after
24 participating, and outcomes of participants who complete the
25 program.

26 Sec. 422. On a quarterly basis, the department shall issue a
27 report to the senate and house appropriations subcommittees on

1 corrections, the senate and house fiscal agencies, and the
2 legislative corrections ombudsman, for the previous 4 quarters
3 detailing the outcomes of prisoners who have been reviewed for
4 parole. The report shall include all of the following:

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

6 (b) How many prisoners were granted parole.

7 (c) How many prisoners were denied parole.

8 (d) How many parole decisions were deferred.

9 (e) The distribution of the total number of prisoners reviewed
10 during that quarter grouped by whether the prisoner had been
11 interviewed for the first, second, third, fourth, fifth, sixth, or
12 more than sixth time.

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

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

16 Sec. 425. (1) From the funds appropriated in part 1, the
17 department shall establish medication-assisted treatment reentry
18 pilot programs to provide prerelease treatment and postrelease
19 referral for opioid-addicted and alcohol-addicted offenders who
20 voluntarily participate in the medication-assisted treatment
21 reentry pilot programs. The department shall collaborate with
22 residential and nonresidential substance abuse treatment providers
23 and with community-based clinics to provide postrelease treatment.
24 The programs shall employ a multifaceted approach to treatment,
25 including a long-acting nonaddictive medication approved by the
26 Food and Drug Administration for the treatment of opioid and
27 alcohol dependence, counseling, and postrelease referral to

1 community-based providers.

2 (2) The manufacturer of a long-acting nonaddictive medication
3 approved by the Food and Drug Administration for opioid and alcohol
4 dependence shall provide the department with samples of the
5 medication, at no cost to the department, during the duration of
6 the medication-assisted treatment reentry pilot programs. Offenders
7 shall receive 1 injection prior to being released from custody and
8 shall be connected with an aftercare plan and assistance with
9 obtaining insurance to cover subsequent injections.

10 (3) Participants of the programs shall be required to attend
11 substance abuse treatment programming as directed by their agent,
12 including coordination of both direct or indirect services through
13 federally qualified health centers in Wayne, Washtenaw, Genesee,
14 Berrien, Van Buren, and Allegan Counties, but not limited to only
15 those counties, shall be subject to routine drug and alcohol
16 testing, shall not be allowed to consume drugs or alcohol, and
17 shall possess a strong will to overcome addiction.

18 (4) The department shall submit a report by September 30 to
19 the senate and house appropriations subcommittees on corrections,
20 the senate and house fiscal agencies, the legislative corrections
21 ombudsman, and the state budget director on the number of offenders
22 who received injections upon release, the number of offenders who
23 received injections and tested positive for drugs or alcohol, the
24 number of offenders who received injections in the community for a
25 duration of at least 3 months, and the number of offenders who
26 received injections and were subsequently returned to prison.

27 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip

1 the Script shall be distributed to a Michigan-chartered 501(c)(3)
2 nonprofit corporation operating in a county with greater than
3 1,500,000 people for administration and expansion of a program
4 which serves a population of persons aged 16 to 39. The program
5 shall target those who are entering the criminal justice system for
6 the first or second time and shall assist those individuals through
7 the following program types:

8 (a) Alternative sentencing programs in partnership with a
9 local district or circuit court.

10 (b) Educational recovery for special adult populations with
11 high rates of illiteracy.

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

13 (2) The program selected shall report by March 30 to the
14 department, the senate and house appropriations subcommittees on
15 corrections, the senate and house fiscal agencies, the legislative
16 corrections ombudsman, and the state budget director. The report
17 shall include program performance measurements, the number of
18 individuals diverted from incarceration, the number of individuals
19 served, and outcomes of participants who complete the program.

20 **FIELD OPERATIONS ADMINISTRATION**

21 Sec. 601. (1) From the funds appropriated in part 1, the
22 department shall conduct a statewide caseload audit of field
23 agents. The audit shall address public protection issues and assess
24 the ability of the field agents to complete their professional
25 duties. The complete audit shall be submitted to the senate and
26 house appropriations subcommittees on corrections, the legislative

1 corrections ombudsman, the senate and house fiscal agencies, and
2 the state budget office by March 1.

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

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

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

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

27 (4) For a fee determined by the department, the department

1 shall provide counties with the curfew monitor equipment,
2 replacement parts, administrative oversight of the equipment's
3 operation, notification of violators, and periodic reports
4 regarding county program participants. Counties are responsible for
5 curfew monitor equipment installation and service. For an
6 additional fee as determined by the department, the department
7 shall provide staff to install and service the equipment. Counties
8 are responsible for the coordination and apprehension of program
9 violators.

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

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

17 Sec. 611. The department shall prepare by March 1 individual
18 reports for the community reentry program, the electronic
19 monitoring program, and the special alternative to incarceration
20 program. The reports shall be submitted 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. Each program's report shall include
24 information on all of the following:

25 (a) Monthly new participants by type of offender. Community
26 reentry program participants shall be categorized by reason for
27 placement. For technical rule violators, the report shall sort

1 offenders by length of time since release from prison, by the most
2 recent violation, and by the number of violations occurring since
3 release from prison.

4 (b) Monthly participant unsuccessful terminations, including
5 cause.

6 (c) Number of successful terminations.

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

8 (e) Average length of placement.

9 (f) Return to prison statistics.

10 (g) Description of each program location or locations,
11 capacity, and staffing.

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

14 (i) Comparison with prior year statistics.

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

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

(2) By April 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding fiscal year. The report shall include the following information for probationers, for parolees after their first parole, and for parolees who have been paroled more than once:

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

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

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

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

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

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

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

19 Sec. 617. From the funds appropriated in part 1 for the
20 residential alternative to prison program, the department shall
21 provide vocational, educational, and cognitive programming in a
22 secure environment to enhance existing alternative sentencing
23 options, increase employment readiness and successful placement
24 rates, and reduce new criminal behavior for the west Michigan
25 probation violator population. The department shall measure and set
26 the following metric goals:

27 (a) 85% of participants successfully complete the program.

1 (b) Of the participants that complete the program, 75% will
2 earn a nationally recognized credential for career and vocational
3 programs.

4 (c) Of the participants that complete the program, 100% will
5 earn a certificate of completion for cognitive programming.

6 (d) The prison commitment rate for probation violators will be
7 reduced by 5% within the impacted geographical area after the first
8 year of program operation.

9 **HEALTH CARE**

10 Sec. 802. As a condition of expenditure of the funds
11 appropriated in part 1, the department shall provide the senate and
12 house of representatives appropriations subcommittees on
13 corrections, the legislative corrections ombudsman, the senate and
14 house fiscal agencies, and the state budget director with a report
15 by January 1 for the prior fiscal year on physical and mental
16 health care detailing expenditures itemized by vendor, allocations,
17 status of payments from contractors to vendors, and expenditures
18 from accounts for prisoner health care, mental health care,
19 pharmaceutical services, and durable medical equipment.

20 Sec. 803. (1) The department shall assure that all prisoners,
21 upon any health care treatment, are given the opportunity to sign a
22 release of information form designating a family member or other
23 individual to whom the department shall release records information
24 regarding a prisoner. A release of information form signed by a
25 prisoner shall remain in effect for 1 year, and the prisoner may
26 elect to withdraw or amend the release form at any time.

1 (2) The department shall assure that any such signed release
2 forms follow a prisoner upon transfer to another department
3 facility or to the supervision of a parole officer.

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

6 Sec. 804. The department shall report quarterly to the senate
7 and house appropriations subcommittees on corrections, the
8 legislative corrections ombudsman, the senate and house fiscal
9 agencies, and the state budget director on prisoner health care
10 utilization. The report shall include the number of inpatient
11 hospital days, outpatient visits, emergency room visits, and
12 prisoners receiving off-site inpatient medical care in the previous
13 quarter, by facility.

14 Sec. 807. The funds appropriated in part 1 for Hepatitis C
15 treatment shall be used only to purchase specialty medication for
16 Hepatitis C treatment in the prison population. In addition to the
17 above appropriation, any rebates received from the medications used
18 shall be used only to purchase specialty medication for Hepatitis C
19 treatment. On a quarterly basis, the department shall issue a
20 report to the senate and house appropriations subcommittees on
21 corrections, the senate and house fiscal agencies, the legislative
22 corrections ombudsman, and the state budget director showing for
23 the previous 4 quarters the total amount spent on specialty
24 medication for the treatment of Hepatitis C, the number of
25 prisoners that were treated, the amount of any rebates that were
26 received from the purchase of specialty medication, and what
27 outstanding rebates are expected to be received.

1 Sec. 812. (1) The department shall provide the department of
2 health and human services with a monthly list of prisoners newly
3 committed to the department of corrections. The department and the
4 department of health and human services shall enter into an
5 interagency agreement under which the department of health and
6 human services provides the department of corrections with monthly
7 lists of newly committed prisoners who are eligible for Medicaid
8 benefits in order to maintain the process by which Medicaid
9 benefits are suspended rather than terminated. The department shall
10 assist prisoners who may be eligible for Medicaid benefits after
11 release from prison with the Medicaid enrollment process prior to
12 release from prison.

13 (2) The department shall provide the senate and house
14 appropriations subcommittees on corrections, the legislative
15 corrections ombudsman, the senate and house fiscal agencies, and
16 the state budget director with quarterly updates on the utilization
17 of Medicaid benefits for prisoners.

18 Sec. 816. By April 1, the department shall provide the members
19 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 with a report
22 on pharmaceutical expenditures and prescribing practices. In
23 particular, the report shall provide the following information:

24 (a) A detailed accounting of expenditures on antipsychotic
25 medications.

26 (b) Any changes that have been made to the prescription drug
27 formularies.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 901. The department, working with the department of technology, management, and budget, shall determine the costs of entering into an agreement to lease or purchase a private correctional facility to be operated by the department, as well as the costs of reopening a closed correctional facility already owned by the department to determine if it would be in the best interest of the citizens of this state to house prisoners in a private correctional facility leased or purchased and operated by the department, or a closed correctional facility owned by the department that the department reopens, rather than in a correctional facility currently operated by the department. By October 15, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director that documents the acquisition, lease, reopening, and modernization costs, and taxes, utilities, expected future capital repair, and upgrades of the correctional facilities described in this section.

Sec. 904. The department shall calculate the per prisoner/per day cost for each prisoner security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year, including, but not limited to, the value of services provided to the department by other state agencies and the allocation of statewide legacy costs. To calculate the per prisoner/per day costs, the department shall divide these direct and indirect costs by the average daily population for each custody level. For multilevel facilities, the indirect costs that cannot be

1 accurately allocated to each custody level can be included in the
2 calculation on a per-prisoner basis for each facility. A report
3 summarizing these calculations and the direct and indirect costs
4 included in them shall be submitted to the senate and house
5 appropriations subcommittees on corrections, the legislative
6 corrections ombudsman, the senate and house fiscal agencies, and
7 the state budget director not later than December 15.

8 Sec. 906. Any local unit of government or private nonprofit
9 organization that contracts with the department for public works
10 services shall be responsible for financing the entire cost of such
11 an agreement.

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

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

21 (b) The number of prisoners enrolled in each program, the
22 number of prisoners completing each program, the number of
23 prisoners who do not complete each program and are not subsequently
24 reenrolled, and the reason for not completing the program, the
25 number of prisoners transferred to another facility while enrolled
26 in a program and the reason for transfer, the number of prisoners
27 enrolled who are repeating the program, and the number of prisoners

1 on waiting lists for each program, all itemized by facility.

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

5 (d) The number of prisoners paroled without a high school
6 diploma and the number of prisoners paroled without a high school
7 equivalency.

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

11 (f) An identification of program outcomes for each academic
12 and vocational program.

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

16 Sec. 910. The department shall allow the Michigan Braille
17 transcribing fund program to operate at its current location. The
18 donation of the building by the Michigan Braille transcribing fund
19 at the G. Robert Cotton Correctional Facility in Jackson is
20 acknowledged and appreciated. The department shall continue to
21 encourage the Michigan Braille transcribing fund program to produce
22 high-quality materials for use by the visually impaired.

23 Sec. 911. By March 1, the department shall report to the
24 senate and house appropriations subcommittees on corrections, the
25 senate and house fiscal agencies, the legislative corrections
26 ombudsman, and the state budget director the number of critical
27 incidents occurring each month by type and the number and severity

1 of assaults, escape attempts, suicides, and attempted suicides
2 occurring each month at each facility during the immediately
3 preceding calendar year.

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

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

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

1 following:

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

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

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

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

25 Sec. 925. By March 1, the department shall report to the
26 senate and house appropriations subcommittees on corrections, the
27 senate and house fiscal agencies, the legislative corrections

1 ombudsman, and the state budget director on the annual number of
2 prisoners in administrative segregation between October 1, 2016 and
3 September 30, 2017, and the annual number of prisoners in
4 administrative segregation between October 1, 2016 and September
5 30, 2017 who at any time during the current or prior prison term
6 were diagnosed with serious mental illness or have a developmental
7 disorder and the number of days each of the prisoners with serious
8 mental illness or a developmental disorder have been confined to
9 administrative segregation.

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

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

20 (b) Provide appropriate placement for prisoners less than 18
21 years of age who have serious mental illness, serious emotional
22 disturbance, or a serious developmental disorder and need to be
23 housed separately from the general population. Prisoners less than
24 18 years of age who have serious mental illness, serious emotional
25 disturbance, or a serious developmental disorder shall not be
26 removed from an existing placement as a punitive response to
27 behavior caused by their serious mental illness, serious emotional

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

13 (c) Implement a specialized reentry program that recognizes
14 the needs of prisoners less than 18 years old for supervised
15 reentry.

16 Sec. 930. The department shall submit a quarterly report to
17 the senate and house subcommittees on corrections, the senate and
18 house fiscal agencies, the legislative corrections ombudsman, and
19 the state budget director on the number of youth in prison. The
20 report shall include, but not be limited to, the following
21 information:

22 (a) The total number of inmates under age 18 who are not on
23 Holmes youthful trainee act status.

24 (b) The total number of inmates under age 18 who are on Holmes
25 youthful trainee act status.

26 (c) The total number of inmates aged 18 to 23 who are on
27 Holmes youthful trainee act status.

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

10 Sec. 943. The department shall submit a report by May 1 to the
11 senate and house subcommittees on corrections, the senate and house
12 fiscal agencies, the legislative corrections ombudsman, and the
13 state budget director on the actual and projected savings achieved
14 by closing correctional facilities. Savings amounts shall be
15 itemized by facility. Information required by this section shall
16 start with the closure of the Pugsley Correctional Facility, which
17 closed in September of 2016.

18 Sec. 944. When the department is planning to close a
19 correctional facility, the department shall fully consider the
20 potential economic impact of the prison closure on the community
21 where the facility is located. The department, when weighing all
22 factors related to the closure of a facility, shall also consider
23 the impact on the local community where the facility to be closed
24 is located.

25 Sec. 945. The department shall provide notice to the
26 legislature and the senate and house fiscal agencies, by July 1, of
27 its intent to renew or rebid the prisoner food service contract.

MISCELLANEOUS

Sec. 1009. The department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet shall be updated by February 1 of each year. The packet shall provide information on topics including, but not limited to: how to put money into prisoner accounts, how to make phone calls or create Jpay email accounts, how to visit in person, proper procedures for filing complaints or grievances, the rights of prisoners to physical and mental health care, how to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it applies to minimum sentences, the parole process, and guidance on the importance of the role of families in the reentry process. The department is encouraged to partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete.

ONE-TIME APPROPRIATIONS

Sec. 1100. From the funds appropriated in part 1 for new custody staff training, the department shall increase the training capacity for new custody staff by 177 officers. The purpose of this academy is to address higher than normal attrition of correction officers and to decrease overtime costs.

ARTICLE VI**DEPARTMENT OF EDUCATION**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 599.5

GROSS APPROPRIATION \$ 347,392,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 0

ADJUSTED GROSS APPROPRIATION \$ 347,392,700

Federal revenues:

Total federal revenues 251,854,700

Special revenue funds:

Total local revenues 5,817,200

Total private revenues 2,034,300

Total other state restricted revenues 8,567,600

State general fund/general purpose \$ 79,118,900

**Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE
SUPERINTENDENT**

Full-time equated unclassified positions 6.0

Full-time equated classified positions 11.0

Unclassified positions--6.0 FTE positions \$ 851,900

Education Commission of the States 120,800

1	State board of education, per diem payments	24,400
2	State board/superintendent operations--11.0 FTE	
3	positions.....	<u>2,104,200</u>
4	GROSS APPROPRIATION	\$ 3,101,300
5	Appropriated from:	
6	Federal revenues:	
7	Federal revenues	234,800
8	Special revenue funds:	
9	Private foundations	28,100
10	Certification fees	773,300
11	State general fund/general purpose	\$ 2,065,100
12	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated classified positions..... 23.6	
14	Central support operations--23.6 FTE positions	\$ 3,712,000
15	Federal and private grants	3,000,000
16	Property management	3,181,700
17	Terminal leave payments	353,300
18	Training and orientation workshops	150,000
19	Worker's compensation	<u>25,100</u>
20	GROSS APPROPRIATION	\$ 10,422,100
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	3,628,500
24	Federal indirect funds	2,445,800
25	Special revenue funds:	
26	Certification fees	400,000
27	Teacher testing fees	4,000

1	Training and orientation workshop fees	150,000
2	Private foundations	1,000,000
3	State general fund/general purpose	\$ 2,793,800
4	Sec. 104. INFORMATION TECHNOLOGY	
5	Information technology services and projects	\$ <u>4,225,200</u>
6	GROSS APPROPRIATION	\$ 4,225,200
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	621,700
10	Federal indirect funds	1,838,500
11	Special revenue funds:	
12	Certification fees	400,600
13	State general fund/general purpose	\$ 1,364,400
14	Sec. 105. SPECIAL EDUCATION SERVICES	
15	Full-time equated classified positions	47.0
16	Special education operations--47.0 FTE positions	\$ <u>9,164,800</u>
17	GROSS APPROPRIATION	\$ 9,164,800
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues	8,584,200
21	Special revenue funds:	
22	Private foundations	110,100
23	Certification fees	44,700
24	State general fund/general purpose	\$ 425,800
25	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
26	Full-time equated classified positions	82.0
27	Camp Tuhsmeheeta--1.0 FTE position	\$ 296,100

1	Low incidence outreach program	450,000
2	Michigan Schools for the Deaf and Blind operations--	
3	81.0 FTE positions	13,456,000
4	Private gifts - blind	200,000
5	Private gifts - deaf	<u>150,000</u>
6	GROSS APPROPRIATION	\$ 14,552,100
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	7,431,900
10	Special revenue funds:	
11	Local cost sharing (schools for deaf/blind)	5,805,500
12	Gifts, bequests, and donations	646,100
13	Low incidence outreach fund	450,000
14	Student insurance revenue	218,600
15	State general fund/general purpose	\$ 0
16	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
17	Full-time equated classified positions 33.0	
18	Professional preparation operations--33.0 FTE	
19	positions	\$ <u>5,679,600</u>
20	GROSS APPROPRIATION	\$ 5,679,600
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	1,465,900
24	Special revenue funds:	
25	Certification fees	3,623,900
26	Teacher testing fees	364,900
27	State general fund/general purpose	\$ 224,900

1	Sec. 108. MICHIGAN OFFICE OF GREAT START		
2	Full-time equated classified positions	66.0	
3	Child development and care external support	\$	28,368,900
4	Child development and care public assistance		161,166,100
5	Head start collaboration office--1.0 FTE position		310,600
6	Office of great start operations--65.0 FTE positions .		<u>24,598,400</u>
7	GROSS APPROPRIATION	\$	214,444,000
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues		172,826,100
11	Special revenue funds:		
12	Private foundations		250,000
13	Certification fees		64,600
14	State general fund/general purpose	\$	41,303,300
15	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
16	Full-time equated classified positions	11.5	
17	State aid and school finance operations--11.5 FTE		
18	positions.....	\$	<u>1,648,600</u>
19	GROSS APPROPRIATION	\$	1,648,600
20	Appropriated from:		
21	State general fund/general purpose	\$	1,648,600
22	Sec. 110. AUDIT SERVICES		
23	Full-time equated classified positions	4.5	
24	Audit operations--4.5 FTE positions	\$	<u>615,300</u>
25	GROSS APPROPRIATION	\$	615,300
26	Appropriated from:		
27	Federal revenues:		

1	Federal indirect funds	488,800
2	Special revenue funds:	
3	Certification fees	62,500
4	State general fund/general purpose \$	64,000
5	Sec. 111. ADMINISTRATIVE LAW SERVICES	
6	Full-time equated classified positions 2.0	
7	Administrative law operations--2.0 FTE positions \$	<u>1,375,400</u>
8	GROSS APPROPRIATION	\$ 1,375,400
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues	568,000
12	Special revenue funds:	
13	Certification fees	707,700
14	State general fund/general purpose \$	99,700
15	Sec. 112. ACCOUNTABILITY SERVICES	
16	Full-time equated classified positions 64.6	
17	Accountability services operations--64.6 FTE positions \$	<u>14,941,300</u>
18	GROSS APPROPRIATION	\$ 14,941,300
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues	12,517,200
22	State general fund/general purpose \$	2,424,100
23	Sec. 113. SCHOOL SUPPORT SERVICES	
24	Full-time equated classified positions 83.6	
25	School support services operations--83.6 FTE positions \$	<u>15,571,200</u>
26	GROSS APPROPRIATION	\$ 15,571,200
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues	14,522,300
3	Special revenue funds:	
4	Local school district service fees	11,700
5	Certification fees	87,600
6	Commodity distribution fees	71,700
7	State general fund/general purpose	\$ 877,900
8	Sec. 114. FIELD SERVICES	
9	Full-time equated classified positions	47.0
10	Field services operations--47.0 FTE positions	\$ <u>9,400,800</u>
11	GROSS APPROPRIATION	\$ 9,400,800
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	8,636,300
15	Special revenue funds:	
16	Certification fees	37,300
17	State general fund/general purpose	\$ 727,200
18	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
19	SERVICES	
20	Full-time equated classified positions	44.7
21	Educational improvement and innovation operations--	
22	44.7 FTE positions	\$ <u>9,010,100</u>
23	GROSS APPROPRIATION	\$ 9,010,100
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues	5,898,200
27	Special revenue funds:	

1	Certification fees	565,100
2	State general fund/general purpose	\$ 2,546,800
3	Sec. 116. CAREER AND TECHNICAL EDUCATION	
4	Full-time equated classified positions	29.0
5	Career and technical education operations--29.0 FTE	
6	positions.....	\$ <u>5,252,700</u>
7	GROSS APPROPRIATION	\$ 5,252,700
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues	3,904,900
11	State general fund/general purpose	\$ 1,347,800
12	Sec. 117. LIBRARY OF MICHIGAN	
13	Full-time equated classified positions	33.0
14	Library of Michigan operations--31.0 FTE positions ...	\$ 4,826,400
15	Library services and technology program--1.0 FTE	
16	position.....	5,611,400
17	Michigan eLibrary--1.0 FTE position	1,753,100
18	Renaissance zone reimbursements	3,300,000
19	State aid to libraries	<u>9,876,000</u>
20	GROSS APPROPRIATION	\$ 25,366,900
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	5,611,400
24	Special revenue funds:	
25	Library fees	300,000
26	State general fund/general purpose	\$ 19,455,500
27	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	

1	Full-time equated classified positions	17.0	
2	Educator talent and policy coordination operations--		
3	17.0 FTE positions	\$	<u>2,621,200</u>
4	GROSS APPROPRIATION	\$	2,621,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues		630,200
8	Special revenue funds:		
9	Certification fees		241,000
10	State general fund/general purpose	\$	1,750,000
11	Sec. 119. ONE-TIME APPROPRIATIONS		
12	Drinking water declaration of emergency	\$	<u>100</u>
13	GROSS APPROPRIATION	\$	100
14	Appropriated from:		
15	Special revenue funds:		
16	Drinking water emergency reserve fund		100
17	State general fund/general purpose	\$	0

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$87,686,500.00 and state

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

government for fiscal year 2017-2018 is \$13,176,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$	9,876,000
Renaissance zone reimbursements.....		<u>3,300,000</u>
Total department of education	\$	13,176,000

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 competitively priced and of comparable quality American goods or

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

8 Sec. 206. The state superintendent of public instruction shall
9 take all reasonable steps to ensure businesses in deprived and
10 depressed communities compete for and perform contracts to provide
11 services or supplies, or both. The state superintendent of public
12 instruction 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 must 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 outside services that
9 the 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
17 appropriations committees and the senate and house fiscal agencies.

18 Sec. 210. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$10,000,000.00 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 \$700,000.00 for state
26 restricted contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

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

3 (3) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$250,000.00 for local
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 (4) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$3,000,000.00 for private
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in part 1
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

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

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

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

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

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

26 (e) Job specifications and wage rates.

27 Sec. 212. Within 14 days after the release of the executive

1 budget recommendation, the department shall cooperate with the
2 state budget office to provide the senate and house appropriations
3 chairpersons, the chairpersons of the senate and house
4 appropriations subcommittees responsible for the department budget,
5 and the senate and house fiscal agencies with an annual report on
6 estimated state restricted fund balances, state restricted fund
7 projected revenues, and state restricted fund expenditures for the
8 fiscal years ending September 30, 2017 and September 30, 2018.

9 Sec. 213. 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 agency's performance.

13 Sec. 214. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the fiscal year ending September
15 30, 2018 are estimated at \$15,429,100.00. From this amount, total
16 agency appropriations for pension-related legacy costs are
17 estimated at \$7,939,900.00. Total agency appropriations for retiree
18 health care legacy costs are estimated at \$7,489,200.00.

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

25 Sec. 217. The department may assist the department of health
26 and human services, other departments, and local school districts
27 to secure reimbursement for eligible services provided in Michigan

1 schools from the federal Medicaid program. The department may
2 submit reports of direct expenses related to this effort to the
3 department of health and human services for reimbursement.

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

8 Sec. 220. The department shall post on its website a link to
9 the federal Institute of Education Sciences' What Works
10 Clearinghouse. The department also shall work to disseminate
11 knowledge about the What Works Clearinghouse to districts and
12 intermediate districts so that it may be used to improve reading
13 proficiency for pupils in grades K to 3.

14 Sec. 221. The department shall require all districts and
15 intermediate school districts to maintain complete records within
16 the personnel file of a teacher or school employee of any
17 disciplinary actions taken by the governing board against the
18 teacher or employee for sexual misconduct. The records shall not be
19 destroyed or removed from the teacher's or employee's personnel
20 file except as required by a court order.

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

24 Sec. 223. The department and agencies receiving appropriations
25 in part 1 shall receive and retain copies of all reports funded
26 from appropriations in part 1. Federal and state guidelines for
27 short-term and long-term retention of records shall be followed.

1 The department may electronically retain copies of reports unless
2 otherwise required by federal and state guidelines.

3 Sec. 226. From the funds appropriated in part 1, the
4 department shall coordinate with the other departments to
5 streamline state services and resources, reduce duplication, and
6 increase efficiency. This includes, but is not limited to, working
7 with the department of technology, management, and budget to
8 coordinate with the school reform office, working with the
9 department of treasury to coordinate with the financial
10 independence team and overseeing deficit districts, and working
11 with the department of health and human services and department of
12 licensing and regulatory affairs to coordinate with early childhood
13 programs and overseeing child care providers.

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

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

25 Sec. 228. A state department or agency that receives an
26 appropriation in part 1 shall not issue a request for proposal for
27 a contract in excess of \$1,000,000.00, unless the department or

1 agency has first considered issuing a request for information or a
2 request for qualification relative to that contract to better
3 enable the department or agency to learn more about the market for
4 the products or services that are the subject of the future request
5 for proposal. The department or agency shall notify the department
6 of technology, management, and budget of the evaluation process
7 used to determine if a request for information or request for
8 qualification was not necessary before issuing the request for
9 proposal.

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

15 Sec. 230. From the funds appropriated in part 1, the
16 department shall compile a report that identifies any new, or lack
17 thereof, mandates required of nonpublic schools. In compiling the
18 report, the department may consult with relevant statewide
19 education associations in Michigan. The report compiled by the
20 department shall indicate the type of mandate, including, but not
21 limited to, student health, student or building safety,
22 accountability, and educational requirements, and shall indicate
23 whether a school has to report on the specified mandates. The
24 report required under this section shall be completed by April 1,
25 2018 and transmitted to the state budget director, the house and
26 senate appropriations subcommittees responsible for the department
27 of education, and the senate and house fiscal agencies not later

1 than April 15, 2018.

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

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

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

8 (b) State board of education - member other than president -
9 \$100.00 per day.

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

12 Sec. 302. From the amount appropriated in part 1 to the state
13 board of education, not more than \$35,000.00 for the fiscal year
14 ending September 30, 2018 shall be expended for in-state travel and
15 out-of-state travel directly related to the duties of the state
16 board of education.

17 **CENTRAL SUPPORT**

18 Sec. 325. Within 10 days of the receipt of a grant
19 appropriated in the federal and private grants line item in part 1,
20 the department shall notify the house and senate chairpersons of
21 the appropriations subcommittees responsible for the department
22 budget, the house and senate fiscal agencies, and the state budget
23 director of the receipt of the grant, including the funding source,
24 purpose, and amount of the grant.

1 **SPECIAL EDUCATION SERVICES**

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

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

14 (b) Train mediators who are knowledgeable about the dispute
15 resolution system and state and federal mandates pertaining to the
16 rights and protections of students with disabilities outlined in
17 the federal individuals with disabilities education act, 20 USC
18 1400 to 1482, and the Michigan administrative rules for special
19 education programs and services, R 340.1701 to R 340.1862 of the
20 Michigan Administrative Code. This annual training will include
21 coursework, resources, and materials.

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

23 Sec. 401. The employees at the Michigan Schools for the Deaf
24 and Blind who work on a school-year basis are considered annual
25 employees for purposes of service credits, retirement, and
26 insurance benefits.

1 Sec. 402. For each student enrolled at the Michigan Schools
2 for the Deaf and Blind, the department shall assess the
3 intermediate school district of residence 100% of the cost of
4 operating the student's instructional program. The amount shall
5 exclude room and board related costs and the cost of weekend
6 transportation between the school and the student's home.

7 Sec. 406. (1) The Michigan Schools for the Deaf and Blind may
8 promote its residential program as a possible appropriate option
9 for children who are deaf or hard of hearing or who are blind or
10 visually impaired. The Michigan Schools for the Deaf and Blind
11 shall distribute information detailing its services to all
12 intermediate school districts in the state.

13 (2) Upon knowledge of or recognition by an intermediate school
14 district that a child in the district is deaf or hard of hearing or
15 blind or visually impaired, the intermediate school district shall
16 provide to the parents of the child the literature distributed by
17 the Michigan Schools for the Deaf and Blind to intermediate school
18 districts under subsection (1).

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

21 Sec. 407. Revenue received by the Michigan Schools for the
22 Deaf and Blind from gifts, bequests, donations, and local district
23 service fees that is unexpended at the end of the state fiscal year
24 may be carried over to the succeeding fiscal year and shall not
25 revert to the general fund.

26 Sec. 408. (1) The funds appropriated in part 1 for the low
27 incidence outreach fund are appropriated from money collected by

1 the Michigan Schools for the Deaf and Blind and the low incidence
2 outreach program for providing qualified services and may be used
3 for any expenses necessary to provide the qualified services. Any
4 money that is unexpended at the end of the state fiscal year may be
5 carried forward into the succeeding fiscal year.

6 (2) As used in this section, "qualified services" means
7 document reproduction and services; conducting conferences,
8 workshops, and training classes; and providing specialized
9 equipment, facilities, and software.

10 **PROFESSIONAL PREPARATION SERVICES**

11 Sec. 501. From the funds appropriated in part 1 for
12 professional preparation services, the department shall maintain
13 certificate revocation/felony conviction files of educational
14 personnel.

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

23 Sec. 503. From the funds appropriated in part 1, the
24 department shall cooperate with the Michigan Virtual Research
25 Institute and external stakeholders in connection with the
26 department's implementation and administration of professional

1 development training described in section 35a of the state school
2 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
3 limited to, the online training of educators of pupils in grades K
4 to 3 described in that section.

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

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

16 **FIELD SERVICES**

17 Sec. 701. (1) From the funds appropriated in part 1 for field
18 services operations, the department shall produce a report
19 detailing the progress made by each district or public school
20 academy that operates grades K to 8, or if the district or public
21 school academy does not operate all of grades K to 8, for all of
22 the grades it operates, that receives at-risk funding under section
23 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a,
24 in implementing multitiered systems of supports in the prior school
25 fiscal year.

26 (2) The report described in subsection (1) shall include, at a

1 minimum:

2 (a) A description of the training, coaching, and technical
3 assistance offered by the department to districts to support the
4 implementation of effective multitiered systems of supports.

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

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

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

13 (3) The report described in subsection (1) shall be provided
14 to the state budget director, the house and senate subcommittees
15 that oversee the department of education and school aid budgets,
16 and the house and senate fiscal agencies by September 30, 2018.

17 **LIBRARY OF MICHIGAN**

18 Sec. 801. (1) The funds appropriated in part 1 for library
19 fees are appropriated from money collected by the department
20 for providing qualified services and may be used for any expenses
21 necessary to provide the qualified services. Any money that is
22 unexpended at the end of the state fiscal year may be carried
23 forward into the succeeding fiscal year.

24 (2) As used in this section, "qualified services" means
25 document reproduction and services; conducting conferences,
26 workshops, and training classes; and providing specialized

1 equipment, facilities, and software.

2 Sec. 803. It is the intent of the legislature that the Library
3 of Michigan and the component programs currently within the Library
4 of Michigan with the exception of the genealogical collections
5 shall be kept together in a state department.

6 Sec. 804. (1) The funds appropriated in part 1 for renaissance
7 zone reimbursements shall be used to reimburse public libraries
8 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
9 MCL 125.2692, for taxes levied in 2017. The allocations shall be
10 made not later than 60 days after the department of treasury
11 certifies to the department and to the state budget director that
12 the department of treasury has received all necessary information
13 to properly determine the amounts due to each eligible recipient.

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

18 **MICHIGAN OFFICE OF GREAT START**

19 Sec. 1001. By November 1, 2017, the department shall submit a
20 report to the house and senate appropriations subcommittees on the
21 department of education budget and the house and senate fiscal
22 agencies on the average number of eligible child care providers by
23 type receiving payment for child care services from the department
24 for the fiscal year ending September 30, 2017.

25 Sec. 1003. (1) The department shall provide the house and
26 senate appropriations subcommittees on the department budget with

1 an annual report on all funding appropriated to each person awarded
2 a contract by the state to provide early childhood comprehensive
3 systems planning during the previous fiscal year. The report is due
4 by February 15 and must contain at least the following information:

5 (a) Total funding appropriated for contracts by the state to
6 provide early childhood comprehensive systems planning during the
7 previous fiscal year.

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

9 (c) The grant recipients.

10 (d) The activities funded by each grant.

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

14 (2) All department contracts for early childhood comprehensive
15 systems planning must be bid out annually through a statewide
16 request-for-proposal process that includes a minimum of 3 bids. If
17 there are not 3 bids submitted in the statewide request-for-
18 proposal process, then the process must start over until there are
19 a minimum of 3 bids submitted.

20 Sec. 1004. From the funds appropriated in part 1 for child
21 development and care public assistance, the department shall
22 increase the reimbursement rates for the child development and care
23 program providers. The purpose of the rate increase is to increase
24 the number of low-income children in high-quality early learning
25 programs, to increase the number of children ready for school at
26 kindergarten entry, and to increase the number of children who are
27 reading at grade level by the end of third grade.

1 Sec. 1005. From the additional funds appropriated in part 1
2 for the 2017-2018 fiscal year for child development and care
3 external support, the department shall work with the department of
4 licensing and regulatory affairs to provide fingerprinting services
5 and background checks of employees of child care providers as
6 required under the terms of the federal child care and development
7 block grant.

8 Sec. 1007. (1) From the funds appropriated in part 1 for child
9 development and care - external support, the department shall
10 prepare a report that includes, but is not limited to, the
11 following:

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

15 (b) The total number of on-site visits conducted since the
16 start of the 2017-2018 fiscal year. This number must include the
17 required visits and follow-up visits for initial licensure, annual
18 monitoring inspections, complaint investigations, and any other
19 necessary on-site visits.

20 (c) The average number of on-site visits per consultant made
21 since the start of the 2017-2018 fiscal year categorized by
22 licensing type. This number must be calculated using the number of
23 visits and follow-up visits for the required initial licensure,
24 annual monitoring inspections, complaint investigations, and any
25 other necessary on-site visits.

26 (d) The number of providers that have improved their quality
27 rating since the start of fiscal year 2017-2018 compared to the

1 same time period in fiscal year 2016-2017.

2 (e) A list of training and other structured activities offered
3 by the department or the department of licensing and regulatory
4 affairs to licensing consultants and managers to improve
5 performance and to child care providers to improve quality.

6 (2) The department shall deliver the report described in
7 subsection (1) to the state budget director, the house and senate
8 subcommittees that oversee the department of education, and the
9 house and senate fiscal agencies by November 30, 2018.

10 Sec. 1008. From the amount appropriated in part 1 for office
11 of great start operations, the department shall work with the
12 department of health and human services to coordinate services
13 provided to families for home visits, reduce duplication of state
14 services and spending, and increase efficiencies including the home
15 visits funded under section 32p of the state school aid act of
16 1979, 1979 PA 94, MCL 388.1632p.

17 Sec. 1009. From the funds appropriated in part 1 for child
18 development and care - child development and care public
19 assistance, the maximum entrance threshold for the child
20 development and care program is set at 125% of the federal poverty
21 guidelines.

22 **ACCOUNTABILITY SERVICES**

23 Sec. 1021. Using the funds appropriated in part 1, the
24 department shall work in collaboration with the department of
25 technology, management, and budget to renegotiate the contract with
26 the ACT to ensure that it registers, issues, and ships to schools a

1 printed national career readiness certificate (NCRC) to each
2 Michigan student who takes the ACT WorkKeys test, successfully
3 completes the exam, qualifies for the certificate, and ensures that
4 the renegotiated contract results in minimal or no additional costs
5 to the state. If a renegotiation cannot be completed that results
6 in minimal or no additional costs to the state, the department
7 shall rebid the contract for the workskills portion of the Michigan
8 merit exam (MME).

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

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

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

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

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

27 (a) The number of children ages 0 to 3 in a city where there

1 is a drinking water declaration of emergency.

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

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

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

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

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

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

26 (h) The number of children ages 0 to 3 who are in 2-parent
27 households in a city where there is a drinking water declaration of

emergency and served by the child development and care program.

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

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

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

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,

1 2018, from the following funds:

2 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions	6.0	
5	Full-time equated classified positions	1,227.0	
6	GROSS APPROPRIATION		\$ 503,500,300
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		3,100,500
10	ADJUSTED GROSS APPROPRIATION		\$ 500,399,800
11	Federal revenues:		
12	Total federal revenues		170,042,600
13	Special revenue funds:		
14	Total local revenues		0
15	Total private revenues		555,300
16	Total other state restricted revenues		285,825,300
17	State general fund/general purpose		\$ 43,976,600
18	FUND SOURCE SUMMARY		
19	Full-time equated unclassified positions	6.0	
20	Full-time equated classified positions	1,227.0	
21	GROSS APPROPRIATION		\$ 503,500,300
22	Interdepartmental grant revenues:		
23	IDG from department of state police		1,754,600
24	IDG from state transportation department		1,345,900
25	Total interdepartmental grants and intradepartmental		
26	transfers.....		3,100,500
27	ADJUSTED GROSS APPROPRIATION		\$ 500,399,800

1	Federal revenues:	
2	Federal funds	170,042,600
3	Total federal revenues	170,042,600
4	Special revenue funds:	
5	Private funds	555,300
6	Total private revenues	555,300
7	Air emissions fees	12,224,200
8	Aquatic nuisance control fund	918,800
9	Campground fund	319,300
10	Clean Michigan initiative - clean water fund	3,417,100
11	Clean Michigan initiative - contaminated sediment	1,565,000
12	Clean Michigan initiative - nonpoint source	2,000,000
13	Cleanup and redevelopment fund	19,583,600
14	Community pollution prevention fund	250,000
15	Drinking water declaration of emergency reserve fund .	100
16	Electronic waste recycling fund	329,200
17	Environmental education fund	168,500
18	Environmental pollution prevention fund	6,676,100
19	Environmental protection fund	2,447,600
20	Environmental response fund	3,776,600
21	Fees and collections	391,900
22	Financial instruments	9,455,900
23	Great Lakes protection fund	392,800
24	Groundwater discharge permit fees	1,762,000
25	Infrastructure construction fund	50,900
26	Laboratory services fees	4,237,900
27	Land and water permit fees	3,247,600

1	Landfill maintenance trust fund	31,000
2	Medical waste emergency response fund	332,600
3	Metallic mining surveillance fee revenue	100,600
4	Mineral well regulatory fee revenue	220,400
5	Nonferrous metallic mineral surveillance	358,900
6	NPDES fees	4,567,100
7	Oil and gas regulatory fund	5,164,500
8	Orphan well fund	2,415,200
9	Public swimming pool fund	655,000
10	Public utility assessments	413,500
11	Public water supply fees	4,938,700
12	Refined petroleum fund	57,612,900
13	Revitalization revolving loan fund	103,100
14	Revolving loan revenue bonds	15,000,000
15	Sand extraction fee revenue	92,600
16	Scrap tire regulatory fund	5,095,100
17	Septage waste contingency fund	3,400
18	Septage waste program fund	525,900
19	Settlement funds	426,100
20	Sewage sludge land application fee	994,500
21	Small business pollution prevention revolving loan	
22	fund.....	165,700
23	Soil erosion and sedimentation control training fund .	169,900
24	Solid waste management fund - staff account	5,114,600
25	Stormwater permit fees	3,024,800
26	Strategic water quality initiatives fund	81,196,000
27	Underground storage tank cleanup fund	20,016,800

1	Wastewater operator training fees	588,600
2	Water analysis fees	2,249,300
3	Water pollution control revolving fund	647,300
4	Water quality protection fund	100,000
5	Water use reporting fees	286,100
6	Total other state restricted revenues	285,825,300
7	State general fund/general purpose	\$ 43,976,600
8	Sec. 102. EXECUTIVE OPERATIONS	
9	Full-time equated unclassified positions 6.0	
10	Full-time equated classified positions 13.0	
11	Unclassified salaries--6.0 FTE positions	\$ 776,600
12	Executive direction--13.0 FTE positions	<u>2,117,800</u>
13	GROSS APPROPRIATION	\$ 2,894,400
14	Appropriated from:	
15	Federal revenues:	
16	Federal funds	27,600
17	Special revenue funds:	
18	Environmental protection fund	309,400
19	Environmental response fund	173,800
20	Oil and gas regulatory fund	230,900
21	Refined petroleum fund	613,400
22	Settlement funds	11,500
23	State general fund/general purpose	\$ 1,527,800
24	Sec. 103. OFFICE OF THE GREAT LAKES	
25	Full-time equated classified positions 11.0	
26	Coastal management grants	\$ 1,250,000
27	Office of the Great Lakes--11.0 FTE positions	<u>2,033,700</u>

1	GROSS APPROPRIATION	\$	3,283,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds		2,043,600
5	Special revenue funds:		
6	Great Lakes protection fund		371,100
7	Settlement funds		113,700
8	State general fund/general purpose	\$	755,300
9	Sec. 104. GREAT LAKES RESTORATION INITIATIVE		
10	Full-time equated classified positions 6.0		
11	Great Lakes restoration initiative--6.0 FTE positions	\$	<u>15,095,600</u>
12	GROSS APPROPRIATION	\$	15,095,600
13	Appropriated from:		
14	Federal revenues:		
15	Federal funds		15,095,600
16	Special revenue funds:		
17	State general fund/general purpose	\$	0
18	Sec. 105. DEPARTMENT SUPPORT SERVICES		
19	Full-time equated classified positions 34.0		
20	Accounting service center	\$	1,401,300
21	Administrative hearings		383,900
22	Building occupancy charges		4,746,600
23	Central support services--34.0 FTE positions		4,184,100
24	Environmental support projects		5,000,000
25	Facilities management		1,000,000
26	Rent - privately owned property		<u>2,323,900</u>
27	GROSS APPROPRIATION	\$	19,039,800

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of state police	61,000
4	Special revenue funds:	
5	Air emissions fees	1,309,700
6	Campground fund	14,700
7	Cleanup and redevelopment fund	1,516,900
8	Electronic waste recycling fund	15,300
9	Environmental pollution prevention fund	802,700
10	Environmental protection fund	10,400
11	Environmental response fund	351,700
12	Fees and collections	27,900
13	Financial instruments	7,298,800
14	Great Lakes protection fund	14,100
15	Groundwater discharge permit fees	209,200
16	Laboratory services fees	155,300
17	Land and water permit fees	590,400
18	Medical waste emergency response fund	16,700
19	Metallic mining surveillance fee revenue	4,700
20	Mineral well regulatory fee revenue	8,400
21	Nonferrous metallic mineral surveillance	800
22	NPDES fees	260,700
23	Oil and gas regulatory fund	773,900
24	Orphan well fund	49,100
25	Public swimming pool fund	25,500
26	Public utility assessments	20,200
27	Public water supply fees	274,800

1	Refined petroleum fund	1,884,100
2	Sand extraction fee revenue	3,900
3	Scrap tire regulatory fund	157,700
4	Septage waste program fund	18,700
5	Settlement funds	38,000
6	Sewage sludge land application fee	120,700
7	Small business pollution prevention revolving loan	
8	fund.....	18,000
9	Soil erosion and sedimentation control training fund .	17,600
10	Solid waste management fund - staff account	314,800
11	Stormwater permit fees	255,400
12	Wastewater operator training fees	32,100
13	Water analysis fees	141,300
14	Water use reporting fees	23,000
15	State general fund/general purpose	\$ 2,201,600
16	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
17	Full-time equated classified positions	37.0
18	Office of environmental assistance--37.0 FTE positions	\$ 6,140,700
19	Pollution prevention local grants	<u>250,000</u>
20	GROSS APPROPRIATION	\$ 6,390,700
21	Appropriated from:	
22	Federal revenues:	
23	Federal funds	704,700
24	Special revenue funds:	
25	Private funds	364,200
26	Air emissions fees	138,500
27	Community pollution prevention fund	250,000

1	Environmental education fund	168,500
2	Environmental pollution prevention fund	1,507,300
3	Fees and collections	120,100
4	Settlement funds	262,900
5	Small business pollution prevention revolving loan	
6	fund.....	134,400
7	State general fund/general purpose \$	2,740,100
8	Sec. 107. WATER RESOURCES DIVISION	
9	Full-time equated classified positions 316.0	
10	Aquatic nuisance control program--6.0 FTE positions .. \$	918,800
11	Contaminated lake and river sediment cleanup program .	1,565,000
12	Expedited water/wastewater permits--1.0 FTE position .	50,900
13	Federal - Great Lakes remedial action plan grants	583,800
14	Federal - nonpoint source water pollution grants	4,083,300
15	Fish contaminant monitoring	316,100
16	Groundwater discharge permit program--22.0 FTE	
17	positions.....	3,214,800
18	Land and water interface permit programs--82.0 FTE	
19	positions.....	11,671,500
20	Nonpoint source pollution prevention and control	
21	project program.....	2,000,000
22	NPDES nonstormwater program--83.0 FTE positions	13,060,600
23	Program direction and project assistance--27.0 FTE	
24	positions.....	3,055,100
25	Real-time beach monitoring program	500,000
26	Surface water--86.0 FTE positions	15,557,000
27	Water quality and use initiative/general--5.0 FTE	

1	positions.....	1,645,700
2	Water quality protection grants	100,000
3	Water withdrawal assessment program--4.0 FTE positions	1,428,600
4	Wetland mitigation banking grants and loans	3,000,000
5	Wetlands program.....	<u>1,000,000</u>
6	GROSS APPROPRIATION	\$ 63,751,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from state transportation department - Michigan	
10	transportation fund.....	1,259,800
11	Federal revenues:	
12	Federal funds	20,268,800
13	Special revenue funds:	
14	Aquatic nuisance control fund	918,800
15	Clean Michigan initiative fund - clean water fund	3,417,100
16	Clean Michigan initiative fund - contaminated sediment	1,565,000
17	Clean Michigan initiative fund - nonpoint source	2,000,000
18	Environmental response fund	204,800
19	Groundwater discharge permit fees	1,457,300
20	Infrastructure construction fund	50,900
21	Land and water permit fees	2,313,200
22	NPDES fees	4,133,100
23	Refined petroleum fund	442,000
24	Sewage sludge land application fee	838,700
25	Soil erosion and sedimentation control training fund .	139,300
26	Stormwater permit fees	2,681,000
27	Strategic water quality initiatives fund	3,000,000

1	Wastewater operator training fees	283,700
2	Water pollution control revolving fund	140,100
3	Water quality protection fund	100,000
4	Water use reporting fees	246,700
5	State general fund/general purpose	\$ 18,290,900
6	Sec. 108. LAW ENFORCEMENT DIVISION	
7	Full-time equated classified positions	14.0
8	Environmental investigations--14.0 FTE positions	\$ <u>2,830,100</u>
9	GROSS APPROPRIATION	\$ 2,830,100
10	Appropriated from:	
11	Federal revenues:	
12	Federal funds	575,600
13	Special revenue funds:	
14	Air emissions fees	57,200
15	Campground fund	2,100
16	Cleanup and redevelopment fund	188,200
17	Electronic waste recycling fund	1,600
18	Environmental pollution prevention fund	108,000
19	Environmental response fund	41,200
20	Fees and collections	4,100
21	Financial instruments	521,600
22	Great Lakes protection fund	1,500
23	Groundwater discharge permit fees	18,800
24	Laboratory services fees	15,800
25	Land and water permit fees	78,300
26	Medical waste emergency response fund	2,400
27	Metallic mining surveillance fee revenue	700

1	Mineral well regulatory fee revenue	1,200
2	NPDES fees	32,300
3	Oil and gas regulatory fund	87,300
4	Orphan well fund	7,100
5	Public swimming pool fund	3,700
6	Public utility assessments	2,000
7	Public water supply fees	26,500
8	Refined petroleum fund	364,700
9	Sand extraction fee revenue	600
10	Scrap tire regulatory fund	29,400
11	Septage waste program fund	2,700
12	Sewage sludge land application fee	12,200
13	Small business pollution prevention revolving loan	
14	fund.....	2,600
15	Soil erosion and sedimentation control training fund .	2,600
16	Solid waste management fund - staff account	41,700
17	Stormwater permit fees	17,500
18	Wastewater operator training fees	4,600
19	Water analysis fees	18,200
20	Water use reporting fees	3,100
21	State general fund/general purpose	\$ 553,000
22	Sec. 109. AIR QUALITY DIVISION	
23	Full-time equated classified positions 189.0	
24	Air quality programs--189.0 FTE positions	\$ <u>25,770,400</u>
25	GROSS APPROPRIATION	\$ 25,770,400
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds	7,196,800
2	Special revenue funds:	
3	Air emissions fees	10,052,400
4	Fees and collections	205,300
5	Oil and gas regulatory fund	136,400
6	Public utility assessments	150,000
7	Refined petroleum fund	3,577,500
8	State general fund/general purpose \$	4,452,000
9	Sec. 110. RESOURCE MANAGEMENT DIVISION	
10	Full-time equated classified positions 307.0	
11	Drinking water and environmental health--109.0 FTE	
12	positions..... \$	15,482,500
13	Drinking water program grants	830,000
14	Hazardous waste management program--45.0 FTE positions	6,506,900
15	Low-level radioactive waste authority--2.0 FTE	
16	positions.....	233,400
17	Medical waste program--2.0 FTE positions	303,500
18	Municipal assistance--29.0 FTE positions	4,818,800
19	Noncommunity water grants	1,905,700
20	Oil, gas, and mineral services--59.0 FTE positions ...	6,680,900
21	Radiological protection program--12.0 FTE positions ..	1,977,200
22	Recycling initiative--2.0 FTE positions	861,800
23	Scrap tire grants	3,500,000
24	Scrap tire regulatory program--10.0 FTE positions	1,343,700
25	Septage waste compliance grants	275,000
26	Solid waste management program--37.0 FTE positions ...	5,077,800
27	Strategic water quality initiative grants and loans ..	62,000,000

1	Water state revolving funds	<u>120,000,000</u>
2	GROSS APPROPRIATION	\$ 231,797,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of state police	1,667,800
6	Federal revenues:	
7	Federal funds	116,450,300
8	Special revenue funds:	
9	Campground fund	294,100
10	Electronic waste recycling fund	305,800
11	Environmental pollution prevention fund	3,798,700
12	Fees and collections	34,500
13	Medical waste emergency response fund	303,500
14	Metallic mining surveillance fee revenue	92,500
15	Mineral well regulatory fee revenue	205,900
16	Nonferrous metallic mineral surveillance	357,800
17	Oil and gas regulatory fund	3,609,400
18	Orphan well fund	2,329,500
19	Public swimming pool fund	610,700
20	Public utility assessments	233,400
21	Public water supply fees	4,178,900
22	Refined petroleum fund	688,700
23	Revolving loan revenue bonds	15,000,000
24	Sand extraction fee revenue	85,800
25	Scrap tire regulatory fund	4,843,700
26	Septage waste contingency fund	3,400
27	Septage waste program fund	493,200

1	Solid waste management fund - staff account	4,586,900
2	Strategic water quality initiatives fund	63,196,000
3	Wastewater operator training fees	249,000
4	Water pollution control revolving fund	499,800
5	State general fund/general purpose	\$ 7,677,900
6	Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION	
7	Full-time equated classified positions	295.0
8	Contaminated site investigations, cleanup and	
9	revitalization--131.0 FTE positions	\$ 15,097,800
10	Emergency cleanup actions	4,000,000
11	Environmental cleanup and redevelopment program	15,000,000
12	Environmental cleanup support	1,840,000
13	Federal cleanup project management--40.0 FTE positions	6,986,500
14	Laboratory services--39.0 FTE positions	6,328,000
15	Refined petroleum product cleanup program--85.0 FTE	
16	positions	34,491,100
17	Superfund cleanup	<u>1,000,000</u>
18	GROSS APPROPRIATION	\$ 84,743,400
19	Appropriated from:	
20	Federal revenues:	
21	Federal funds	6,354,900
22	Special revenue funds:	
23	Private funds	191,100
24	Cleanup and redevelopment fund	17,086,300
25	Environmental protection fund	2,040,400
26	Environmental response fund	2,839,500
27	Laboratory services fees	4,002,000

1	Landfill maintenance trust fund	31,000
2	Public water supply fees	310,500
3	Refined petroleum fund	33,457,100
4	Revitalization revolving loan fund	103,100
5	Strategic water quality initiatives fund	15,000,000
6	Water analysis fees	2,015,500
7	State general fund/general purpose	\$ 1,312,000
8	Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY	
9	Full-time equated classified positions	5.0
10	Underground storage tank cleanup program--5.0 FTE	
11	positions.....	\$ <u>20,016,800</u>
12	GROSS APPROPRIATION	\$ 20,016,800
13	Appropriated from:	
14	Special revenue funds:	
15	Underground storage tank cleanup fund	20,016,800
16	State general fund/general purpose	\$ 0
17	Sec. 113. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>8,986,900</u>
19	GROSS APPROPRIATION	\$ 8,986,900
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from department of state police	25,800
23	IDG from state transportation department	86,100
24	Federal revenues:	
25	Federal funds	1,324,700
26	Special revenue funds:	
27	Air emission fees	666,400

1	Campground fund	8,400
2	Cleanup and redevelopment fund	792,200
3	Electronic waste recycling fund	6,500
4	Environmental pollution prevention fund	459,400
5	Environmental protection fund	87,400
6	Environmental response fund	165,600
7	Financial instruments	1,635,500
8	Great Lakes protection fund	6,100
9	Groundwater discharge permit fees	76,700
10	Laboratory services fees	64,800
11	Land and water permit fees	265,700
12	Medical waste emergency response fund	10,000
13	Metallic mining surveillance fee revenue	2,700
14	Mineral well regulatory fee revenue	4,900
15	Nonferrous metallic mineral surveillance	300
16	NPDES fees	141,000
17	Oil and gas regulatory fund	326,600
18	Orphan well fund	29,500
19	Public swimming pool fund	15,100
20	Public utility assessments	7,900
21	Public water supply fees	148,000
22	Refined petroleum fund	1,685,400
23	Sand extraction fee revenue	2,300
24	Scrap tire regulatory fund	64,300
25	Septage waste program fund	11,300
26	Sewage sludge land application fee	22,900
27	Small business pollution prevention revolving loan	

1	fund.....	10,700
2	Soil erosion and sedimentation control training fund .	10,400
3	Solid waste management fund - staff account	171,200
4	Stormwater permit fees	70,900
5	Wastewater operator training fees	19,200
6	Water analysis fees	74,300
7	Water pollution control revolving fund	7,400
8	Water use reporting fees	13,300
9	State general fund/general purpose	\$ 466,000
10	Sec. 114. ONE-TIME BASIS APPROPRIATIONS	
11	Drinking water declaration of emergency	\$ 1,000,100
12	Oil, gas, and mineral services (one-time)	3,000,000
13	Refined petroleum product cleanup program	<u>14,900,000</u>
14	GROSS APPROPRIATION	\$ 18,900,100
15	Appropriated from:	
16	Special revenue funds:	
17	Drinking water declaration of emergency reserve fund .	100
18	Refined petroleum fund	14,900,000
19	State general fund/general purpose	\$ 4,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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, 2018 is \$329,801,900.00 and state appropriations paid to local units of government are \$4,531,000.00. The following itemized list identifies appropriations from which appropriations to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Drinking water program grants	\$	600,000
Emergency cleanup actions.		106,000
Noncommunity water grants.		1,800,000
Scrap tire grants.		500,000
Pollution prevention local grants.		250,000
Real-time beach monitoring program.		500,000
Septage waste compliance grants.		100,000
Recycling initiative.		450,000
Medical waste program.		65,000
Surface water.		<u>160,000</u>
TOTAL	\$	4,531,000

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.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "NPDES" means national pollution discharge elimination

1 system.

2 Sec. 204. The departments and agencies receiving
3 appropriations in part 1 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. 205. 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 shall 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. 206. The director shall take all reasonable steps to
19 ensure businesses in deprived and depressed communities compete for
20 and perform contracts to provide services or supplies, or both. The
21 director shall strongly encourage firms with which the department
22 contracts to subcontract with certified businesses in depressed and
23 deprived communities for services, supplies, or both.

24 Sec. 207. The departments and agencies receiving
25 appropriations in part 1 shall prepare a report on out-of-state
26 travel expenses not later than January 1 of each year. The travel
27 report shall be a listing of all travel by classified and

1 unclassified employees outside this state in the immediately
2 preceding fiscal year that was funded in whole or in part with
3 funds appropriated in the department's budget. The report shall be
4 submitted to the house and senate appropriations committees, the
5 house and senate fiscal agencies, and the state budget director.
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

8 (b) The total transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 Sec. 208. Funds appropriated in part 1 shall not be used by a
14 principal executive department, state agency, or authority to hire
15 a person to provide legal services that are the responsibility of
16 the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those activities that the
18 attorney general authorizes.

19 Sec. 209. Not later than November 30, the state budget office
20 shall prepare and transmit a report that provides for estimates of
21 the total general fund/general purpose appropriation lapses at the
22 close of the prior fiscal year. This report shall summarize the
23 projected year-end general fund/general purpose appropriation
24 lapses by major departmental program or program areas. The report
25 shall be transmitted to the chairpersons of the senate and house
26 appropriations committees and the senate and house fiscal agencies.

27 Sec. 210. (1) In addition to the funds appropriated in part 1,

1 there is appropriated an amount not to exceed \$30,000,000.00 for
2 federal contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in part 1 under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$5,000,000.00 for state
8 restricted 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 (3) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$100,000.00 for local
14 contingency funds. These funds are not available for expenditure
15 until they have been transferred to another line item in part 1
16 under section 393(2) of the management and budget act, 1984 PA 431,
17 MCL 18.1393.

18 (4) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$500,000.00 for private
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 Sec. 211. The department shall cooperate with the department
25 of technology, management, and budget to maintain a searchable
26 website accessible by the public at no cost that includes, but is
27 not limited to, all of the following for each department or agency:

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

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

3 (c) Fiscal year-to-date payments to a selected vendor,
4 including the vendor name, payment date, payment amount, and
5 payment description.

6 (d) The number of active department employees by job
7 classification.

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the department shall cooperate with the
11 state budget office to provide the senate and house appropriations
12 chairs, the senate and house appropriations subcommittee chairs,
13 and the senate and house fiscal agencies with an annual report on
14 estimated state restricted fund balances, state restricted fund
15 projected revenues, and state restricted fund expenditures for the
16 fiscal years ending September 30, 2017 and September 30, 2018.

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

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2018 are \$32,219,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$16,580,100.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$15,638,900.00.

27 Sec. 216. (1) The department shall report all of the following

1 information relative to allocations made from appropriations for
2 the environmental cleanup and redevelopment program, state cleanup,
3 emergency actions, superfund cleanup, the revitalization revolving
4 loan program, the brownfield grants and loans program, the leaking
5 underground storage tank cleanup program, the contaminated lake and
6 river sediments cleanup program, the refined petroleum product
7 cleanup program, and the environmental protection bond projects
8 under section 19508(7) of the natural resources and environmental
9 protection act, 1994 PA 451, MCL 324.19508, to the state budget
10 director, the senate and house appropriations subcommittees on
11 environmental quality, and the senate and house fiscal agencies:

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

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

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

17 (d) The estimated date that site closure activities will be
18 completed.

19 (e) The amount of the allocation, or the anticipated financing
20 for the site.

21 (f) A summary of the sites and the total amount of funds
22 expended at the sites at the conclusion of the fiscal year.

23 (g) The number of brownfield projects that were successfully
24 redeveloped.

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

27 (a) The status of all state-owned facilities that are on the

1 list compiled under part 201 of the natural resources and
2 environmental protection act, 1994 PA 451, MCL 324.20101 to
3 324.20142.

4 (b) The report shall include the total amount of funds
5 expended during the fiscal year and the total amount of funds
6 awaiting expenditure.

7 (c) The total amount of bonds issued for the environmental
8 protection bond program pursuant to part 193 of the natural
9 resources and environmental protection act, 1994 PA 451, MCL
10 324.19301 to 324.19306, and bonds issued pursuant to the clean
11 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

14 Sec. 217. (1) The department may expend amounts remaining from
15 the current and prior fiscal year appropriations to meet funding
16 needs of legislatively approved sites for the environmental cleanup
17 and redevelopment program, the refined petroleum product cleanup
18 program, brownfield grants and loans, waterfront grants, and the
19 environmental bond site reclamation program.

20 (2) Unexpended and unencumbered amounts remaining from
21 appropriations from the environmental protection bond fund
22 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
23 2012 PA 236 are appropriated for expenditure for any site listed in
24 this part and part 1 and any site listed in the public acts
25 referenced in this section.

26 (3) Unexpended and unencumbered amounts remaining from
27 appropriations from the clean Michigan initiative fund - response

activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

Sec. 219. Unexpended settlement revenues at the end of the fiscal year may be carried forward into the settlement fund in the succeeding fiscal year up to a maximum carryforward of \$2,500,000.00.

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

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small

1 business and that will have a disproportionate economic impact on
2 small businesses because of the size of those businesses if the
3 department fails to reduce the disproportionate economic impact of
4 the rule on small businesses as provided under section 40 of the
5 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

6 (2) As used in this section:

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

9 (b) "Small business" means that term as defined under section
10 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
11 24.207a.

12 Sec. 235. The department shall prepare an annual report to the
13 legislature by January 1, 2018 that details all of the following
14 for each of the allocations from the clean Michigan initiative bond
15 fund as described in section 19607(1)(a) to (i) of the natural
16 resources and environmental protection act, 1994 PA 451, MCL
17 324.19607:

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

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

21 (c) The estimated remaining cost of all projects funded in
22 each category.

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

25 (e) The total debt obligation on all clean Michigan initiative
26 bonds and the length of time remaining until full bond repayment is
27 achieved.

1 **REMEDATION DIVISION**

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

5 Sec. 302. The unexpended funds appropriated in part 1 for
6 emergency cleanup actions, the environmental cleanup and
7 redevelopment program, and the refined petroleum product cleanup
8 program are considered work project appropriations and any
9 unencumbered or unallotted funds are carried forward into the
10 succeeding fiscal year. The following is in compliance with section
11 451a(1) of the management and budget act, 1984 PA 431, MCL
12 18.1451a:

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

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

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

18 (d) The tentative completion date is September 30, 2022.

19 Sec. 303. Effective October 1, 2017, surplus funds not to
20 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
21 are appropriated to the environmental protection fund created in
22 section 503a of the natural resources and environmental protection
23 act, 1994 PA 451, MCL 324.503a.

24 Sec. 304. Effective October 1, 2017, surplus funds not to
25 exceed \$1,000,000.00 in the community pollution prevention fund
26 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
27 to the environmental protection fund created in section 503a of the

1 natural resources and environmental protection act, 1994 PA 451,
2 MCL 324.503a.

3 Sec. 305. It is the intent of the legislature to repay the
4 refined petroleum fund for the \$70,000,000.00 that was transferred
5 to the environmental protection fund created in section 503a of the
6 natural resources and environmental protection act, 1994 PA 451,
7 MCL 324.503a, as part of the resolution for the fiscal year 2006-
8 2007 budget.

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

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

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

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

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

23 Sec. 314. (1) From the funds appropriated in part 1 from the
24 refined petroleum fund for the refined petroleum product cleanup
25 program, the department shall expend an amount not to exceed
26 \$36,000,000.00 for reimbursements to owners and operators of
27 underground storage tank systems that have performed corrective

actions but do not qualify for reimbursement under section 21510 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21510, due to the date the release was discovered and reported.

(2) As used in this section:

(a) "Corrective action" means that term as defined in section 21302 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21302.

(b) "Operator", "owner", and "underground storage tank system" mean those terms as defined in section 21303 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21303.

WATER RESOURCES DIVISION

Sec. 402. From the funds appropriated in part 1 for the water quality and use initiative/general line item, the department shall update a report detailing a comprehensive plan for the use of the water quality and use initiative funding appropriated in part 1 and identifying the amount of expenditures for specific programs made from the water quality and use initiative/general line item, the real-time beach monitoring program line item, and the wetlands program line item. The report shall be submitted to the chairpersons of the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies by September 30, 2018.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities

1 under part 117 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
3 department may spend funds appropriated in part 1 under the septage
4 waste compliance program in accordance with section 11716 of the
5 natural resources and environmental protection act, 1994 PA 451,
6 MCL 324.11716.

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

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

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

16 (c) The total estimated cost of all projects is \$1,565,000.00.

17 (d) The tentative completion date is September 30, 2022.

18 Sec. 411. For the state fiscal year ending September 30, 2018,
19 there is appropriated from the clean Michigan initiative bond fund
20 \$150,000.00 of revenues allocated for remediation of contaminated
21 lake and river sediments under sections 19607 and 19608 of the
22 natural resources and environmental protection act, 1994 PA 451,
23 MCL 324.19607 and 324.19608, for an engineering study pertaining to
24 the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund
25 site. This study may be conducted under contract by a private
26 engineering firm.

RESOURCE MANAGEMENT DIVISION

Sec. 603. From the funds appropriated in part 1, by December 31, 2017, the department shall compile and make available to the public on a publicly accessible website a report containing a summary document of each completed asset management plan for any stormwater, asset management, or wastewater grant awarded to a local unit of government to fund the development of a plan. As a condition of receiving a stormwater, asset management, or wastewater grant, a local unit of government shall make its asset management plan available to the department upon request when completed and shall retain copies of the plan that can be made available to the public for a minimum of 15 years. The department shall make available a summary document of each plan on a publicly accessible website by September 30 of the year it was completed. The summary document shall include a summary of the plan and contact information for the local unit of government.

Sec. 606. The department shall complete a report of expenditures by the stormwater, asset management, and wastewater program related to grants awarded for the planning, design, and construction of sewage collection and treatment systems for projects that address a substantial public health risk from treatment system failure.

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, 2022.

ONE-TIME APPROPRIATIONS

Sec. 801. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

(a) Operational, managerial, and training expertise to water treatment plant operators and managers.

(b) Water system needs.

(2) The unexpended funds appropriated for drinking water declaration of emergency are designated as a work project appropriation, and any unencumbered or unexpended funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to address needs in a city
2 in which a declaration of emergency was issued because of drinking
3 water contamination.

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

6 (c) The total estimated cost of the project is appropriated in
7 part 1.

8 (d) The tentative completion date is September 30, 2019.

9 Sec. 803. The department shall provide a report detailing the
10 expenditure of departmental funds appropriated in 2015 PA 143, 2016
11 PA 3, and 2016 PA 268 for the drinking water declaration of
12 emergency, as well as departmental funding included in House Bill
13 No. 4329 if enacted during the 2017-2018 legislative session. The
14 report shall include the following:

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

16 (b) The purpose for each expenditure.

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

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

20 (e) Amended project plan.

21 (f) Alternative analysis.

22 (g) Public participation events.

23 (h) Drinking water revolving fund set-aside.

24 ARTICLE VIII

25 GENERAL GOVERNMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain state purposes related thereto for the fiscal year ending September 30, 2018, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	50.0	
Full-time equated classified positions.....	8,848.7	
GROSS APPROPRIATION		\$ 4,896,181,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		782,493,800
ADJUSTED GROSS APPROPRIATION		\$ 4,113,687,400
Federal revenues:		
Total federal revenues		807,906,500
Special revenue funds:		
Total local revenues		17,332,700
Total private revenues		6,244,900
Total other state restricted revenues		2,156,587,300
State general fund/general purpose		\$ 1,125,616,000

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

1 **(1) APPROPRIATION SUMMARY**

2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	536.0	
4	GROSS APPROPRIATION		\$ 101,068,800
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		29,915,300
8	ADJUSTED GROSS APPROPRIATION		\$ 71,153,500
9	Federal revenues:		
10	Total federal revenues		9,518,000
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		21,336,900
15	State general fund/general purpose		\$ 40,298,600
16	(2) ATTORNEY GENERAL OPERATIONS		
17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	536.0	
19	Attorney general		\$ 112,500
20	Unclassified positions--5.0 FTE positions		776,600
21	Attorney general operations--490.0 FTE positions		89,115,900
22	Child support enforcement--25.0 FTE positions		3,525,000
23	Prosecuting attorneys coordinating council--12.0 FTE		
24	positions.....		2,155,500
25	Public safety initiative--1.0 FTE position		906,200
26	Sexual assault law enforcement--5.0 FTE positions		1,716,400
27	Wrongful convictions administration--3.0 FTE positions		<u>450,000</u>

1	GROSS APPROPRIATION	\$	98,758,100
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDOC		664,500
5	IDG from MDE		599,200
6	IDG from MDEQ		2,020,000
7	IDG from MDHHS, health policy		208,400
8	IDG from MDHHS, human services		5,975,300
9	IDG from MDHHS, medical services administration		694,200
10	IDG from MDHHS, WIC		154,500
11	IDG from MDIFS, financial and insurance services		1,218,700
12	IDG from MDLARA, fireworks safety fund		83,600
13	IDG from MDLARA, health professions		3,055,400
14	IDG from MDLARA, licensing and regulation fees		337,300
15	IDG from MDLARA, Michigan occupational safety and		
16	health administration		107,700
17	IDG from MDLARA, remonumentation fees		106,700
18	IDG from MDLARA, securities fees		189,600
19	IDG from MDLARA, unlicensed builders		1,071,500
20	IDG from MDMVA		166,100
21	IDG from MDOS, children's protection registry		45,000
22	IDG from MDOT, comprehensive transportation fund		205,000
23	IDG from MDOT, state aeronautics fund		179,400
24	IDG from MDOT, state trunkline fund		2,447,600
25	IDG from MDSP		260,100
26	IDG from MDTED, workforce development agency		89,800
27	IDG from MDTMB		466,500

1	IDG from MDTMB, civil service commission	307,400
2	IDG from MDTMB, risk management revolving fund	1,478,100
3	IDG from Michigan state housing development authority	682,100
4	IDG from treasury	6,920,600
5	IDG from TED, Michigan strategic fund	181,000
6	Federal revenues:	
7	DAG, state administrative match grant/food stamps	137,000
8	Federal funds	3,163,600
9	HHS, medical assistance, medigant	386,500
10	HHS-OS, state Medicaid fraud control units	5,709,700
11	National criminal history improvement program	121,200
12	Special revenue funds:	
13	Antitrust enforcement collections	766,100
14	Attorney general's operations fund	767,000
15	Auto repair facilities fees	328,900
16	Franchise fees	384,900
17	Game and fish protection fund	756,300
18	Human trafficking commission fund	390,000
19	Lawsuit settlement proceeds fund	2,600,000
20	Liquor purchase revolving fund	1,470,500
21	Marihuana regulatory fund	375,000
22	Merit award trust fund	499,500
23	Michigan employment security act - administrative fund	2,255,100
24	Michigan state waterways fund	141,000
25	Mobile home code fund	251,300
26	Prisoner reimbursement	627,400
27	Prosecuting attorneys training fees	411,900

1	Public utility assessments	2,090,100
2	Real estate enforcement fund	100,700
3	Reinstatement fees	259,700
4	Retirement funds	1,051,200
5	Second injury fund	824,400
6	Self-insurers security fund	572,900
7	Silicosis and dust disease fund	226,100
8	State building authority revenue	121,600
9	State casino gaming fund	1,875,300
10	State lottery fund	348,700
11	Student safety fund	470,000
12	Utility consumers fund	1,000,000
13	Worker's compensation administrative revolving fund ..	371,300
14	State general fund/general purpose	\$ 37,987,900
15	(3) INFORMATION TECHNOLOGY	
16	Information technology services and projects	\$ <u>1,560,700</u>
17	GROSS APPROPRIATION	\$ 1,560,700
18	Appropriated from:	
19	State general fund/general purpose	\$ 1,560,700
20	(4) ONE-TIME BASIS ONLY APPROPRIATIONS	
21	Prosecuting attorneys coordinating council juvenile	
22	life without parole cases	\$ <u>750,000</u>
23	GROSS APPROPRIATION	\$ 750,000
24	Appropriated from:	
25	State general fund/general purpose	\$ 750,000
26	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	

1 **(1) APPROPRIATION SUMMARY**

2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	127.0	
4	GROSS APPROPRIATION		\$ 16,099,600
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		296,600
8	ADJUSTED GROSS APPROPRIATION		\$ 15,803,000
9	Federal revenues:		
10	Total federal revenues		2,775,800
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		18,700
14	Total other state restricted revenues		151,900
15	State general fund/general purpose		\$ 12,856,600
16	(2) CIVIL RIGHTS OPERATIONS		
17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	127.0	
19	Unclassified positions--6.0 FTE positions		\$ 680,100
20	Civil rights operations--121.0 FTE positions		13,906,500
21	Division on deaf and hard of hearing--6.0 FTE		
22	positions		<u>800,400</u>
23	GROSS APPROPRIATION		\$ 15,387,000
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from DTMB		296,600
27	Federal revenues:		

1	EEOC, state and local antidiscrimination agency	
2	contracts.....	1,217,300
3	HUD, grant.....	1,543,500
4	Special revenue funds:	
5	Private revenues.....	18,700
6	Division on deafness fund.....	93,400
7	State restricted indirect funds.....	58,500
8	State general fund/general purpose.....	\$ 12,159,000
9	(3) INFORMATION TECHNOLOGY	
10	Information technology services and projects.....	\$ <u>712,600</u>
11	GROSS APPROPRIATION.....	\$ 712,600
12	Appropriated from:	
13	Federal revenues:	
14	EEOC, state and local antidiscrimination agency	
15	contracts.....	15,000
16	State general fund/general purpose.....	\$ 697,600
17	Sec. 104. EXECUTIVE OFFICE	
18	(1) APPROPRIATION SUMMARY	
19	Full-time equated unclassified positions.....	10.0
20	Full-time equated classified positions.....	79.2
21	GROSS APPROPRIATION.....	\$ 6,848,500
22	Interdepartmental grant revenues:	
23	Total interdepartmental grants and intradepartmental	
24	transfers.....	0
25	ADJUSTED GROSS APPROPRIATION.....	\$ 6,848,500
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	0
6	State general fund/general purpose	\$ 6,848,500
7	(2) EXECUTIVE OFFICE OPERATIONS	
8	Full-time equated unclassified positions 10.0	
9	Full-time equated classified positions 79.2	
10	Governor	\$ 159,300
11	Lieutenant governor	111,600
12	Unclassified positions--8.0 FTE positions	1,307,300
13	Executive office--79.2 FTE positions	<u>5,270,300</u>
14	GROSS APPROPRIATION	\$ 6,848,500
15	Appropriated from:	
16	State general fund/general purpose	\$ 6,848,500
17	Sec. 105. LEGISLATURE	
18	(1) APPROPRIATION SUMMARY	
19	GROSS APPROPRIATION	\$ 177,861,000
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers.....	5,709,200
23	ADJUSTED GROSS APPROPRIATION	\$ 172,151,800
24	Federal revenues:	
25	Total federal revenues	0
26	Special revenue funds:	

1	Total local revenues	0
2	Total private revenues	400,000
3	Total other state restricted revenues	6,247,100
4	State general fund/general purpose	\$ 165,504,700
5	(2) LEGISLATURE	
6	Senate	\$ 35,835,600
7	Senate automated data processing	2,600,000
8	Senate fiscal agency	3,874,100
9	House of representatives	55,113,500
10	House automated data processing	2,600,000
11	House fiscal agency	<u>3,874,100</u>
12	GROSS APPROPRIATION	\$ 103,897,300
13	Appropriated from:	
14	State general fund/general purpose	\$ 103,897,300
15	(3) LEGISLATIVE COUNCIL	
16	Legislative corrections ombudsman	\$ 758,400
17	Legislative council	12,421,300
18	Legislative service bureau automated data processing .	1,690,000
19	National association dues	454,700
20	Michigan veterans facility ombudsman	200,000
21	Worker's compensation	<u>151,400</u>
22	GROSS APPROPRIATION	\$ 15,675,800
23	Appropriated from:	
24	Special revenue funds:	
25	Private - gifts and bequests revenues	400,000
26	State general fund/general purpose	\$ 15,275,800
27	(4) LEGISLATIVE RETIREMENT SYSTEM	

1	General nonretirement expenses	\$	<u>5,062,100</u>
2	GROSS APPROPRIATION	\$	5,062,100
3	Appropriated from:		
4	Special revenue funds:		
5	Court fees		1,177,700
6	State general fund/general purpose	\$	3,884,400
7	(5) PROPERTY MANAGEMENT		
8	Cora Anderson Building	\$	11,769,500
9	Senate Office Building and other properties		<u>8,030,000</u>
10	GROSS APPROPRIATION	\$	19,799,500
11	Appropriated from:		
12	State general fund/general purpose	\$	19,799,500
13	(6) STATE CAPITOL HISTORIC SITE		
14	Bond/lease obligations	\$	100
15	General operations		4,440,000
16	Restoration, renewal, and maintenance		<u>3,100,000</u>
17	GROSS APPROPRIATION	\$	7,540,100
18	Appropriated from:		
19	Special revenue funds:		
20	Capitol Historic Site fund		3,100,000
21	State general fund/general purpose	\$	4,440,100
22	(7) OFFICE OF THE AUDITOR GENERAL		
23	Unclassified positions	\$	339,200
24	Field operations		<u>23,947,000</u>
25	GROSS APPROPRIATION	\$	24,286,200
26	Appropriated from:		
27	Interdepartmental grant revenues:		

1	IDG from MDHHS, human services	30,600
2	IDG from MDLARA, liquor purchase revolving fund	28,700
3	IDG from MDOT, comprehensive transportation fund	39,000
4	IDG from MDOT, Michigan transportation fund	315,800
5	IDG from MDOT, state aeronautics fund	30,300
6	IDG from MDOT, state trunkline fund	733,500
7	IDG, legislative retirement system	29,200
8	IDG, single audit act	2,913,100
9	IDG, commercial mobile radio system emergency	
10	telephone fund.....	36,800
11	IDG, contract audit administration fees	50,000
12	IDG, deferred compensation funds	60,000
13	IDG, Michigan finance authority	330,800
14	IDG, Michigan economic development corporation	96,300
15	IDG, Michigan education trust fund	70,800
16	IDG, Michigan justice training commission fund	40,900
17	IDG, Michigan strategic fund	169,100
18	IDG, office of retirement services	550,000
19	IDG, other restricted funding sources	184,300
20	Special revenue funds:	
21	21st century jobs trust fund	96,300
22	Brownfield development fund	28,100
23	Clean Michigan initiative implementation bond fund ...	54,500
24	Game and fish protection fund	31,300
25	MDTMB, civil service commission	166,200
26	Michigan state housing development authority fees	113,500
27	Michigan veterans' trust fund	35,500

1	Motor transport revolving fund	7,400
2	Office services revolving fund	10,000
3	State disbursement unit, office of child support	57,400
4	State services fee fund	1,357,900
5	Waterways fund	11,300
6	State general fund/general purpose	\$ 16,607,600
7	(8) ONE-TIME BASIS ONLY APPROPRIATIONS	
8	Legislative corrections ombudsman	\$ 100,000
9	Legislative information technology systems design	
10	project.....	<u>1,500,000</u>
11	GROSS APPROPRIATION	\$ 1,600,000
12	Appropriated from:	
13	State general fund/general purpose	\$ 1,600,000
14	Sec. 106. DEPARTMENT OF STATE	
15	(1) APPROPRIATION SUMMARY	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	1,608.0
18	GROSS APPROPRIATION	\$ 248,654,100
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers.....	20,000,000
22	ADJUSTED GROSS APPROPRIATION	\$ 228,654,100
23	Federal revenues:	
24	Total federal revenues	1,460,000
25	Special revenue funds:	
26	Total local revenues	0

1	Total private revenues	50,100
2	Total other state restricted revenues	205,915,000
3	State general fund/general purpose	\$ 21,229,000
4	(2) EXECUTIVE DIRECTION	
5	Full-time equated unclassified positions	6.0
6	Full-time equated classified positions	30.0
7	Secretary of state	\$ 112,500
8	Unclassified positions--5.0 FTE positions	647,700
9	Operations--30.0 FTE positions	<u>4,590,000</u>
10	GROSS APPROPRIATION	\$ 5,350,200
11	Appropriated from:	
12	Special revenue funds:	
13	Children's protection registry fund	270,700
14	Driver fees	494,500
15	Enhanced driver license and enhanced official state	
16	personal identification card fund	217,600
17	Reinstatement fees - operator licenses	249,900
18	Transportation administration collection fund	2,515,700
19	State general fund/general purpose	\$ 1,601,800
20	(3) DEPARTMENT SERVICES	
21	Full-time equated classified positions	116.0
22	Operations--116.0 FTE positions	\$ 25,420,300
23	Uniform law commission registration fees	<u>5,600</u>
24	GROSS APPROPRIATION	\$ 25,425,900
25	Appropriated from:	
26	Special revenue funds:	
27	Abandoned vehicle fees	239,800

1	Driver fees	1,300,100
2	Driver improvement course fund	308,200
3	Enhanced driver license and enhanced official state	
4	personal identification card fund	331,200
5	Personal identification card fees	289,800
6	Reinstatement fees - operator licenses	541,800
7	Scrap tire fund	78,600
8	Transportation administration collection fund	21,742,300
9	State general fund/general purpose	\$ 594,100
10	(4) LEGAL SERVICES	
11	Full-time equated classified positions	94.0
12	Operations--94.0 FTE positions	\$ <u>14,230,200</u>
13	GROSS APPROPRIATION	\$ 14,230,200
14	Appropriated from:	
15	Special revenue funds:	
16	Auto repair facilities fees	2,941,100
17	Driver fees	2,145,000
18	Driver responsibility fees	1,000,000
19	Enhanced driver license and enhanced official state	
20	personal identification card fund	505,600
21	Reinstatement fees - operator licenses	959,400
22	Transportation administration collection fund	4,393,800
23	Vehicle theft prevention fees	1,089,200
24	State general fund/general purpose	\$ 1,196,100
25	(5) CUSTOMER DELIVERY SERVICES	
26	Full-time equated classified positions	1,323.0
27	Branch operations--932.0 FTE positions	\$ 87,887,700

1	Central operations--389.0 FTE positions	50,617,300
2	Motorcycle safety education administration--2.0 FTE	
3	positions.....	337,500
4	Motorcycle safety education grants	1,800,000
5	Credit and debit assessment services	8,000,000
6	Organ donor program	<u>129,100</u>
7	GROSS APPROPRIATION	\$ 148,771,600
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDOT, Michigan transportation fund	20,000,000
11	Federal revenues:	
12	Federal funds	1,460,000
13	Special revenue funds:	
14	Private funds	100
15	Thomas Daley gift of life fund	50,000
16	Abandoned vehicle fees	450,900
17	Auto repair facilities fees	901,900
18	Child support clearance fees	363,600
19	Credit and debit assessment service fee revenue	8,000,000
20	Driver education provider and instructor fund	75,000
21	Driver fees	21,821,900
22	Driver improvement course fund	1,227,600
23	Enhanced driver license and enhanced official state	
24	personal identification card fund.....	9,017,200
25	Expedient service fees	2,943,500
26	Marine safety fund	1,540,200
27	Michigan state police auto theft fund	123,700

1	Mobile home commission fees	507,500
2	Motorcycle safety fund	1,837,500
3	Off-road vehicle title fees	170,700
4	Parking ticket court fines	1,639,600
5	Personal identification card fees	2,362,500
6	Recreation passport fee revenue	1,000,000
7	Reinstatement fees - operator licenses	2,357,300
8	Snowmobile registration fee revenue	390,000
9	State lottery fund	1,015,800
10	Transportation administration collection fund	61,960,100
11	Vehicle theft prevention fees	786,000
12	State general fund/general purpose	\$ 6,769,000
13	(6) ELECTION REGULATION	
14	Full-time equated classified positions	45.0
15	Election administration and services--45.0 FTE	
16	positions	\$ 7,209,800
17	County clerk education and training fund	100,000
18	Fees to local units	<u>109,800</u>
19	GROSS APPROPRIATION	\$ 7,419,600
20	Appropriated from:	
21	Special revenue funds:	
22	Notary education and training fund	100,000
23	Notary fee fund	343,500
24	State general fund/general purpose	\$ 6,976,100
25	(7) DEPARTMENTWIDE APPROPRIATIONS	
26	Building occupancy charges/rent	\$ 9,758,300
27	Worker's compensation	<u>246,200</u>

1	GROSS APPROPRIATION	\$	10,004,500
2	Appropriated from:		
3	Special revenue funds:		
4	Auto repair facilities fees		133,000
5	Driver fees		704,600
6	Enhanced driver license and enhanced official state		
7	personal identification card fund		325,800
8	Parking ticket court fines		440,800
9	Transportation administration collection fund		5,899,800
10	State general fund/general purpose	\$	2,500,500
11	(8) INFORMATION TECHNOLOGY		
12	Information technology services and projects	\$	<u>37,452,100</u>
13	GROSS APPROPRIATION	\$	37,452,100
14	Appropriated from:		
15	Special revenue funds:		
16	Administrative order processing fee		11,700
17	Auto repair facilities fees		129,000
18	Driver fees		785,700
19	Enhanced driver license and enhanced official state		
20	personal identification card fund		326,800
21	Expedient service fees		1,082,800
22	Parking ticket court fines		88,800
23	Personal identification card fees		172,900
24	Reinstatement fees - operator licenses		591,000
25	Transportation administration collection fund		32,491,400
26	Vehicle theft prevention fees		180,600
27	State general fund/general purpose	\$	1,591,400

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

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 2,937.0

GROSS APPROPRIATION \$ 1,369,310,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 713,959,000

ADJUSTED GROSS APPROPRIATION \$ 655,351,000

Federal revenues:

Total federal revenues 4,985,300

Special revenue funds:

Total local revenues 2,316,700

Total private revenues 127,700

Total other state restricted revenues 111,399,300

State general fund/general purpose \$ 536,522,000

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions 6.0

Full-time equated classified positions 12.0

Unclassified positions--6.0 FTE positions \$ 1,031,500

Executive operations--12.0 FTE positions 2,387,400

GROSS APPROPRIATION \$ 3,418,900

Appropriated from:

Interdepartmental grant revenues:

IDG from building occupancy and parking charges 240,200

IDG from technology user fees 2,041,100

1	Special revenue funds:		
2	Special revenue, internal service, and pension trust		
3	funds.....		280,300
4	State general fund/general purpose	\$	857,300
5	(3) DEPARTMENT SERVICES		
6	Full-time equated classified positions		788.5
7	Administrative services--133.5 FTE positions	\$	17,551,800
8	Budget and financial management--203.0 FTE positions .		36,082,200
9	Office of the state employer--23.0 FTE positions		3,484,600
10	Design and construction services--40.0 FTE positions .		6,520,000
11	Business support services--98.0 FTE positions		11,679,700
12	Building operation services--212.0 FTE positions		92,591,700
13	Property management		7,817,400
14	Motor vehicle fleet--35.0 FTE positions		74,299,300
15	Bureau of labor market information and strategies--		
16	44.0 FTE positions.....		<u>5,772,400</u>
17	GROSS APPROPRIATION	\$	255,799,100
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from accounting service centers user charges		3,920,500
21	IDG from building occupancy and parking charges		94,118,300
22	IDG from MDHHS, community health		489,700
23	IDG from MDHHS, human services		220,600
24	IDG from MDLARA		100,000
25	IDG from motor transport fund		74,299,300
26	IDG from technology user fees		7,575,100
27	IDG from user fees		6,584,200

1	Federal revenues:	
2	Federal funds	4,985,300
3	Special revenue funds:	
4	Local - MPSCS subscriber and maintenance fees	51,900
5	Local revenues	35,000
6	Health management funds	2,254,700
7	MAIN user charges	2,060,600
8	Other agency charges	1,209,300
9	Private funds	127,700
10	Special revenue, internal service, and pension trust	
11	funds.....	15,042,400
12	State restricted indirect funds	2,826,200
13	State general fund/general purpose	\$ 39,898,300
14	(4) TECHNOLOGY SERVICES	
15	Full-time equated classified positions	1,484.5
16	Education services--29.0 FTE positions	\$ 4,148,000
17	Health and human services--617.5 FTE positions	297,460,500
18	Public protection--155.5 FTE positions	57,780,400
19	Resources services--146.5 FTE positions	20,716,900
20	Transportation services--89.5 FTE positions	32,873,300
21	General services--315.5 FTE positions	107,508,000
22	Homeland security initiative/cyber security--25.0 FTE	
23	positions.....	16,169,300
24	Information technology investment fund	65,000,000
25	Michigan public safety communication system--100.0 FTE	
26	positions.....	40,174,500
27	Enterprise identity management--6.0 FTE positions	<u>7,748,600</u>

1	GROSS APPROPRIATION	\$	649,579,500
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from technology user fees		520,487,100
5	Special revenue funds:		
6	Local - MPSCS subscriber and maintenance fees		2,229,800
7	State general fund/general purpose	\$	126,862,600
8	(5) STATEWIDE APPROPRIATIONS		
9	Professional development fund - NERE	\$	250,000
10	Professional development fund - UAW		<u>700,000</u>
11	GROSS APPROPRIATION	\$	950,000
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from employer contributions		950,000
15	State general fund/general purpose	\$	0
16	(6) SPECIAL PROGRAMS		
17	Full-time equated classified positions		192.0
18	Building occupancy charges - property management		
19	services for executive/legislative building		
20	occupancy.....	\$	1,223,400
21	Retirement services--167.0 FTE positions		29,277,600
22	Office of children's ombudsman--14.0 FTE positions ...		1,814,900
23	School reform office operations--11.0 FTE positions ..		1,166,600
24	Public private partnership		1,500,000
25	Regional prosperity grants		<u>2,500,000</u>
26	GROSS APPROPRIATION	\$	37,482,500
27	Appropriated from:		

1	Special revenue funds:	
2	Deferred compensation	2,800,000
3	Pension trust funds	21,073,800
4	Public private partnership investment fund	1,500,000
5	State general fund/general purpose	\$ 12,108,700
6	(7) STATE BUILDING AUTHORITY RENT	
7	State building authority rent - state agencies	\$ 49,665,800
8	State building authority rent - department of	
9	corrections.....	21,029,900
10	State building authority rent - universities	144,995,300
11	State building authority rent - community colleges ...	<u>30,879,600</u>
12	GROSS APPROPRIATION	\$ 246,570,600
13	Appropriated from:	
14	State general fund/general purpose	\$ 246,570,600
15	(8) CIVIL SERVICE COMMISSION	
16	Full-time equated classified positions..... 450.0	
17	Agency services--74.0 FTE positions	\$ 13,186,400
18	Executive direction--40.0 FTE positions	9,428,500
19	Employee benefits--16.0 FTE positions	5,713,900
20	Human resources operations--320.0 FTE positions	38,323,700
21	Information technology services and projects	<u>3,381,900</u>
22	GROSS APPROPRIATION	\$ 70,034,400
23	Appropriated from:	
24	Special revenue funds:	
25	State restricted funds 1%	29,129,300
26	State restricted indirect funds	8,679,800
27	State sponsored group insurance	8,670,800

1	State general fund/general purpose	\$	23,554,500
2	(9) CAPITAL OUTLAY		
3	Major special maintenance, remodeling, and addition		
4	for state agencies	\$	2,000,000
5	Enterprisewide special maintenance for state		
6	facilities		<u>26,000,000</u>
7	GROSS APPROPRIATION	\$	28,000,000
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from building occupancy charges		2,000,000
11	State general fund/general purpose	\$	26,000,000
12	(10) INFORMATION TECHNOLOGY		
13	Information technology services and projects	\$	<u>26,474,200</u>
14	GROSS APPROPRIATION	\$	26,474,200
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from building occupancy and parking charges		723,200
18	IDG from user fees		209,700
19	Deferred compensation		2,600
20	Health management funds		45,100
21	MAIN user charges		2,407,200
22	Pension trust funds		10,126,800
23	Special revenue, internal service, and pension trust		
24	funds		2,706,500
25	State restricted indirect funds		583,900
26	State general fund/general purpose	\$	9,669,200
27	(11) ONE-TIME BASIS ONLY APPROPRIATIONS		

1	Full-time equated classified positions	10.0	
2	ITIF one-time augmentation		\$ 4,500,000
3	MAIN operations for fiscal year 2017 closeout		2,087,600
4	Homeland security initiative/cyber security		4,000,000
5	Drinking water declaration of emergency reserve fund .		25,000,000
6	Michigan infrastructure fund deposit		5,000,000
7	Michigan public safety communication system life-cycle		
8	replacement.....		4,000,000
9	Michigan.gov content management system		4,000,000
10	SIGMA transition support--10.0 FTE positions		<u>2,413,200</u>
11	GROSS APPROPRIATION		\$ 51,000,800
12	Appropriated from:		
13	State general fund/general purpose		\$ 51,000,800

14 **Sec. 108. DEPARTMENT OF TREASURY**

15 **(1) APPROPRIATION SUMMARY**

16	Full-time equated unclassified positions	10.0	
17	Full-time equated classified positions	1,952.5	
18	GROSS APPROPRIATION		\$ 1,874,102,000
19	Interdepartmental grant revenues:		
20	Total interdepartmental grants and intradepartmental		
21	transfers.....		12,613,700
22	ADJUSTED GROSS APPROPRIATION		\$ 1,861,488,300
23	Federal revenues:		
24	Total federal revenues		27,022,600
25	Special revenue funds:		
26	Total local revenues		14,516,000

1	Total private revenues	27,500
2	Total other state restricted revenues	1,605,173,700
3	State general fund/general purpose	\$ 214,748,500
4	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
5	Full-time equated unclassified positions	10.0
6	Full-time equated classified positions	433.0
7	Unclassified positions--10.0 FTE positions	\$ 1,025,300
8	Department services--88.0 FTE positions	9,251,600
9	Executive direction and operations--46.0 FTE positions	7,867,200
10	Office of accounting services--28.0 FTE positions	2,786,400
11	Office of collections--204.0 FTE positions	27,881,600
12	Office of financial services--38.0 FTE positions	4,513,600
13	Property management	6,253,700
14	Unclaimed property--29.0 FTE positions	4,852,900
15	Worker's compensation	<u>26,500</u>
16	GROSS APPROPRIATION	\$ 64,458,800
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG, data/collection services fees	336,600
20	IDG from accounting service center user charges	497,700
21	IDG from MDHHS, title IV-D	778,500
22	IDG, levy/warrant cost assessment fees	3,643,300
23	IDG, state agency collection fees	4,372,400
24	Federal revenues:	
25	DED-OPSE, federal lenders allowance	20,600
26	DED-OPSE, higher education act of 1965 insured loans .	46,300
27	Special revenue funds:	

1	Local - city income tax fund	102,500
2	Delinquent tax collection revenue	32,728,400
3	Escheats revenue	4,852,900
4	Garnishment fees	2,650,400
5	Justice system fund	429,200
6	Marihuana regulatory fund	187,500
7	State lottery fund	293,900
8	State restricted indirect funds	278,600
9	State services fee fund	334,300
10	Treasury fees	47,200
11	State general fund/general purpose	\$ 12,858,500
12	(3) LOCAL GOVERNMENT PROGRAMS	
13	Full-time equated classified positions	126.0
14	Financial independence teams--15.0 FTE positions	\$ 5,245,800
15	Local finance--21.0 FTE positions	2,622,800
16	Property tax assessor training--4.0 FTE positions	1,041,700
17	Supervision of the general property tax law--86.0 FTE	
18	positions.....	<u>9,878,700</u>
19	GROSS APPROPRIATION	\$ 18,789,000
20	Appropriated from:	
21	Special revenue funds:	
22	Local - assessor training fees	1,041,700
23	Local - audit charges	829,000
24	Local - equalization study chargebacks	40,000
25	Local - revenue from local government	100,000
26	Delinquent tax collection revenue	1,521,900
27	Land reutilization fund	2,046,400

1	Municipal finance fees	546,800
2	State general fund/general purpose	\$ 12,663,200
3	(4) TAX PROGRAMS	
4	Full-time equated classified positions	782.0
5	Bottle act implementation	\$ 250,000
6	Health insurance claims fund program--15.0 FTE	
7	positions.....	2,080,800
8	Home heating assistance	3,089,300
9	Office of revenue and tax analysis--21.0 FTE positions	3,643,600
10	Tax and economic policy--51.0 FTE positions	8,002,300
11	Tax compliance--340.0 FTE positions	45,680,400
12	Tax processing--342.0 FTE positions	38,826,300
13	Tobacco tax enforcement--13.0 FTE positions	<u>1,518,600</u>
14	GROSS APPROPRIATION	\$ 103,091,300
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from MDOT, Michigan transportation fund	2,301,700
18	IDG from MDOT, state aeronautics fund	72,200
19	Federal revenues:	
20	HHS-SSA, low-income energy assistance	3,089,300
21	Special revenue funds:	
22	Bottle deposit fund	250,000
23	Delinquent tax collection revenue	71,065,600
24	Emergency 911 fund	158,700
25	Health insurance claims fund	2,080,800
26	Marihuana regulatory fund	487,500
27	Michigan state waterways fund	107,100

1	Tobacco tax revenue	4,116,900
2	State general fund/general purpose	\$ 19,361,500
3	(5) FINANCIAL PROGRAMS	
4	Full-time equated classified positions	201.5
5	Common cash and debt management--21.5 FTE positions ..	\$ 1,676,500
6	Dual enrollment payments	2,007,600
7	Investments--82.0 FTE positions	20,713,700
8	John R. Justice grant program	288,100
9	Michigan finance authority - bond finance--72.5 FTE	
10	positions.....	25,962,900
11	Student financial assistance programs--25.5 FTE	
12	positions.....	<u>2,704,300</u>
13	GROSS APPROPRIATION	\$ 53,353,100
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG, fiscal agent service fees	211,300
17	Federal revenues:	
18	DED-OPSE, federal lenders allowance	3,718,400
19	DED-OPSE, higher education act of 1965, insured loans	19,232,100
20	Federal - John R. Justice grant	288,100
21	Special revenue funds:	
22	Defined contribution administrative fee revenue	100,000
23	Michigan finance authority bond and loan program	
24	revenue.....	3,012,400
25	Michigan merit award trust fund	1,172,200
26	Retirement funds	18,981,000
27	School bond fees	858,300

1	Treasury fees	1,850,900
2	State general fund/general purpose	\$ 3,928,400
3	(6) DEBT SERVICE	
4	Clean Michigan initiative	\$ 62,751,000
5	Great Lakes water quality bond	22,865,000
6	Quality of life bond	<u>21,964,000</u>
7	GROSS APPROPRIATION	\$ 107,580,000
8	Appropriated from:	
9	State general fund/general purpose	\$ 107,580,000
10	(7) GRANTS	
11	Beat the streets	\$ 100,000
12	Convention facility development distribution	90,950,000
13	Emergency 911 payments	27,000,000
14	Health and safety fund grants	1,500,000
15	Medical marihuana excise fund grants	3,960,000
16	Senior citizen cooperative housing tax exemption	
17	program.....	<u>10,720,000</u>
18	GROSS APPROPRIATION	\$ 134,230,000
19	Appropriated from:	
20	Special revenue funds:	
21	Convention facility development fund	90,950,000
22	Emergency 911 fund	27,000,000
23	Health and safety fund	1,500,000
24	Medical marihuana excise fund	3,960,000
25	State general fund/general purpose	\$ 10,820,000
26	(8) BUREAU OF STATE LOTTERY	
27	Full-time equated classified positions	191.0

1	Lottery information technology services and projects .	\$	5,254,500
2	Lottery operations--191.0 FTE positions		<u>25,619,700</u>
3	GROSS APPROPRIATION	\$	30,874,200
4	Appropriated from:		
5	Special revenue funds:		
6	State lottery fund		30,874,200
7	State general fund/general purpose	\$	0
8	(9) CASINO GAMING		
9	Full-time equated classified positions		143.0
10	Casino gaming control operations--133.0 FTE positions	\$	26,457,300
11	Gaming information technology services and projects ..		2,526,000
12	Horse racing--10.0 FTE positions		2,021,400
13	Michigan gaming control board		<u>50,000</u>
14	GROSS APPROPRIATION	\$	31,054,700
15	Appropriated from:		
16	Special revenue funds:		
17	Casino gambling agreements		950,500
18	Equine development fund		2,144,100
19	Laboratory fees		701,800
20	State services fee fund		27,258,300
21	State general fund/general purpose	\$	0
22	(10) PAYMENTS IN LIEU OF TAXES		
23	Commercial forest reserve	\$	3,368,100
24	Purchased lands		8,677,900
25	Swamp and tax reverted lands		<u>15,605,600</u>
26	GROSS APPROPRIATION	\$	27,651,600
27	Appropriated from:		

1	Special revenue funds:	
2	Private funds	27,500
3	Game and fish protection fund	3,007,400
4	Michigan natural resources trust fund	2,064,700
5	Michigan state waterways fund	260,800
6	State general fund/general purpose	\$ 22,291,200
7	(11) REVENUE SHARING	
8	City, village, and township revenue sharing	\$ 243,040,000
9	Constitutional state general revenue sharing grants ..	773,544,100
10	County incentive program	43,160,400
11	County revenue sharing payments	174,747,700
12	Financially distressed cities, villages, or townships	4,999,900
13	Sheriff patrol assistance for financially distressed	
14	communities.....	<u>100</u>
15	GROSS APPROPRIATION	\$ 1,239,492,200
16	Appropriated from:	
17	Special revenue funds:	
18	Sales tax	1,239,492,200
19	State general fund/general purpose	\$ 0
20	(12) STATE BUILDING AUTHORITY	
21	Full-time equated classified positions	4.0
22	State building authority--4.0 FTE positions	\$ <u>732,000</u>
23	GROSS APPROPRIATION	\$ 732,000
24	Appropriated from:	
25	Special revenue funds:	
26	State building authority revenue	732,000
27	State general fund/general purpose	\$ 0

1	(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
2	Full-time equated classified positions	72.0	
3	City income tax administration program--72.0 FTE		
4	positions.....	\$	<u>9,685,300</u>
5	GROSS APPROPRIATION	\$	9,685,300
6	Appropriated from:		
7	Special revenue funds:		
8	Local - city income tax fund		9,685,300
9	State general fund/general purpose	\$	0
10	(14) INFORMATION TECHNOLOGY		
11	Treasury operations information technology services		
12	and projects.....	\$	<u>30,909,800</u>
13	GROSS APPROPRIATION	\$	30,909,800
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, Michigan transportation fund		400,000
17	Federal revenues:		
18	DED-OPSE, federal lender allowance		627,800
19	Special revenue funds:		
20	Local - city income tax fund		1,217,500
21	Delinquent tax collection revenue		17,420,700
22	Retirement funds		768,700
23	Tobacco tax revenue		129,400
24	State general fund/general purpose	\$	10,345,700
25	(15) ONE-TIME BASIS ONLY APPROPRIATIONS		
26	City income tax administration	\$	1,500,000
27	City, village, and township revenue sharing		5,800,000

1	Treasury operations information technology services	
2	and projects.....	2,000,000
3	Urban search and rescue	500,000
4	Supplemental city, village, and township revenue	
5	sharing.....	<u>12,400,000</u>
6	GROSS APPROPRIATION	\$ 22,200,000
7	Appropriated from:	
8	Special revenue funds:	
9	Local - city income tax fund	1,500,000
10	Sales tax	5,800,000
11	State general fund/general purpose	\$ 14,900,000
12	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC	
13	DEVELOPMENT	
14	(1) APPROPRIATION SUMMARY	
15	Full-time equated unclassified positions	6.0
16	Full-time equated classified positions	1,609.0
17	GROSS APPROPRIATION	\$ 1,102,237,200
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers.....	0
21	ADJUSTED GROSS APPROPRIATION	\$ 1,102,237,200
22	Federal revenues:	
23	Total federal revenues	762,144,800
24	Special revenue funds:	
25	Total local revenues	500,000
26	Total private revenues	5,620,900

1	Total other state restricted revenues	206,363,400
2	State general fund/general purpose	\$ 127,608,100
3	(2) DEPARTMENTAL ADMINISTRATION	
4	Full-time equated unclassified positions 6.0	
5	Full-time equated classified positions 3.0	
6	Unclassified positions--6.0 FTE positions	\$ 1,086,900
7	Executive direction and operations--3.0 FTE positions	<u>1,397,100</u>
8	GROSS APPROPRIATION	\$ 2,484,000
9	Appropriated from:	
10	Federal revenues:	
11	DOL-ETA, unemployment insurance	1,436,900
12	DOL, federal funds	366,100
13	Special revenue funds:	
14	Michigan state housing development authority fees and	
15	charges.....	487,100
16	State general fund/general purpose	\$ 193,900
17	(3) MICHIGAN STRATEGIC FUND	
18	Full-time equated classified positions 197.0	
19	Administrative services--37.0 FTE positions	\$ 6,212,900
20	Arts and cultural program	10,150,000
21	Business attraction and community revitalization	89,200,000
22	Community college skilled trades equipment program	
23	debt service.....	4,600,000
24	Community development block grants	47,000,000
25	Entrepreneurship ecosystem	16,706,700
26	Facility for rare isotope beams	7,300,000
27	Job creation services--160.0 FTE positions	17,403,700

1	Pure Michigan	<u>34,000,000</u>
2	GROSS APPROPRIATION	\$ 232,573,300
3	Appropriated from:	
4	Federal revenues:	
5	DOL, federal funds	2,825,800
6	DOL-ETA, unemployment insurance	287,000
7	HUD-CPD community development block grant	49,773,300
8	NFAH-NEA, promotion of the arts, partnership	
9	agreements.....	1,050,000
10	Special revenue funds:	
11	Private - special project advances	250,000
12	Private - Michigan council for the arts fund	100,000
13	21st century jobs trust fund	75,000,000
14	Michigan film promotion fund	402,200
15	Michigan state housing development authority fees and	
16	charges.....	4,649,300
17	State general fund/general purpose	\$ 98,235,700
18	(4) TALENT INVESTMENT AGENCY	
19	Full-time equated classified positions	1,087.0
20	Executive direction--14.0 FTE positions	\$ 1,991,400
21	Information technology services and projects - TIA ...	22,501,000
22	Workforce program administration--220.0 FTE positions	32,339,500
23	Workforce development programs	385,822,900
24	Community ventures--7.0 FTE positions	9,806,700
25	Going pro	30,908,300
26	Unemployment insurance agency--846.0 FTE positions ...	<u>137,953,400</u>
27	GROSS APPROPRIATION	\$ 621,323,200

1	Appropriated from:	
2	Federal revenues:	
3	DAG, employment and training	3,499,400
4	DED-OESE, GEAR-UP	4,730,700
5	DED-OVAE, adult education	20,000,000
6	DED-OVAE, basic grants to states	19,000,000
7	DOL, federal funds	108,735,800
8	DOL-ETA, workforce investment act	173,988,600
9	DOL-ETA, unemployment insurance	138,952,200
10	Federal funds	5,940,200
11	Social security act, temporary assistance to needy	
12	families.....	63,698,800
13	Special revenue funds:	
14	Local revenues	500,000
15	Private funds	5,270,900
16	Contingent fund, penalty and interest account	63,436,100
17	Defaulted loan collection fees	152,700
18	State general fund/general purpose	\$ 13,417,800
19	(5) LAND BANK FAST TRACK AUTHORITY	
20	Full-time equated classified positions 6.0	
21	Land bank fast track authority--6.0 FTE positions	\$ <u>5,259,100</u>
22	GROSS APPROPRIATION	\$ 5,259,100
23	Appropriated from:	
24	Federal revenues:	
25	Federal revenues	1,000,000
26	Special revenue funds:	
27	Land bank fast track fund	298,400

1	State general fund/general purpose	\$	3,960,700
2	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
3	Full-time equated classified positions	316.0	
4	Property management	\$	3,659,600
5	Michigan state housing development authority		
6	technology services and projects		3,598,500
7	Housing and rental assistance--316.0 FTE positions ...		44,372,000
8	Lighthouse preservation program		307,500
9	Payments on behalf of tenants		<u>166,860,000</u>
10	GROSS APPROPRIATION	\$	218,797,600
11	Appropriated from:		
12	Federal funds:		
13	HUD, lower income housing assistance		166,860,000
14	Special revenue funds:		
15	Michigan state housing development authority fees and		
16	charges		51,630,100
17	Michigan lighthouse preservation program		307,500
18	State general fund/general purpose	\$	0
19	(7) ONE-TIME BASIS ONLY APPROPRIATIONS		
20	Business attraction and community revitalization	\$	10,800,000
21	Protect and grow		1,000,000
22	Going Pro		<u>10,000,000</u>
23	GROSS APPROPRIATION	\$	21,800,000
24	Appropriated from:		
25	Special revenue funds:		
26	Contingent fund, penalty and interest account		10,000,000
27	State general fund/general purpose	\$	11,800,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. (1) 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 2017-2018 is \$3,282,204,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$1,429,883,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units	\$	109,800
Motorcycle safety grants		<u>1,106,100</u>
Subtotal	\$	1,215,900

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption	\$	10,720,000
Health and safety fund grants		1,500,000
Constitutional state general revenue sharing grants ..		773,544,100
City, village, and township revenue sharing		248,840,000
Medical marihuana excise fund grands		3,960,000
Supplemental city, village, and township revenue sharing.....		12,400,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		24,894,000
Financially distressed cities, villages, or townships		4,999,900

1	County incentive program	43,160,400
2	County revenue sharing payments	174,747,700
3	Payments in lieu of taxes	<u>27,651,600</u>
4	Subtotal	\$ 1,417,367,700
5	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
6	Welfare-to-work programs	\$ <u>11,300,000</u>
7	Subtotal	\$ <u>11,300,000</u>
8	TOTAL GENERAL GOVERNMENT	\$ 1,429,883,600

9 (2) Pursuant to section 30 of article IX of the state
10 constitution of 1963, total state spending from state sources for
11 fiscal year 2017-2018 is estimated at \$31,638,233,600.00 in the
12 2017-2018 appropriations acts and total state spending from state
13 sources paid to local units of government for fiscal year 2017-2018
14 is estimated at \$17,680,017,300.00. The state-local proportion is
15 estimated at 55.9% of total state spending from state resources.

16 (3) If payments to local units of government and state
17 spending from state sources for fiscal year 2017-2018 are different
18 than the amounts estimated in subsection (2), the state budget
19 director shall report the payments to local units of government and
20 state spending from state sources that were made for fiscal year
21 2017-2018 to the senate and house of representatives standing
22 committees on appropriations within 30 days after the final book-
23 closing for fiscal year 2017-2018.

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

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

- 1 (a) "ATM" means automated teller machine.
- 2 (b) "COBRA" means the consolidated omnibus budget
3 reconciliation act of 1985, Public Law 99-272, 100 Stat 82.
- 4 (c) "DAG" means the United States Department of Agriculture.
- 5 (d) "DED" means the United States Department of Education.
- 6 (e) "DED-OESE" means the DED Office of Elementary and
7 Secondary Education.
- 8 (f) "DED-OPSE" means the DED Office of Postsecondary
9 Education.
- 10 (g) "DED-OVAE" means the DED Office of Vocational and Adult
11 Education.
- 12 (h) "DOE-OEERE" means the United States Department of Energy,
13 Office of Energy Efficiency and Renewable Energy.
- 14 (i) "DOL" means the United States Department of Labor.
- 15 (j) "DOL-ETA" means the United States Department of Labor,
16 Employment and Training Administration.
- 17 (k) "EEOC" means the United States Equal Employment
18 Opportunity Commission.
- 19 (l) "FTE" means full-time equated.
- 20 (m) "Fund" means the Michigan strategic fund.
- 21 (n) "GEAR-UP" means gaining early awareness and readiness for
22 undergraduate programs.
- 23 (o) "GED" means a general educational development certificate.
- 24 (p) "GF/GP" means general fund/general purpose.
- 25 (q) "HHS" means the United States Department of Health and
26 Human Services.
- 27 (r) "HHS-OS" means the HHS Office of the Secretary.

1 (s) "HHS-SSA" means the HHS Social Security Administration.

2 (t) "HUD" means the United States Department of Housing and
3 Urban Development.

4 (u) "HUD-CPD" means the United States Department of Housing
5 and Urban Development - Community Planning and Development.

6 (v) "IDG" means interdepartmental grant.

7 (w) "JCOS" means the joint capital outlay subcommittee.

8 (x) "MAIN" means the Michigan administrative information
9 network.

10 (y) "MCL" means the Michigan Compiled Laws.

11 (z) "MDE" means the Michigan department of education.

12 (aa) "MDLARA" means the Michigan department of licensing and
13 regulatory affairs.

14 (bb) "MDEQ" means the Michigan department of environmental
15 quality.

16 (cc) "MDHHS" means the Michigan department of health and human
17 services.

18 (dd) "MDMVA" means the Michigan department of military and
19 veterans affairs.

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

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

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

24 (hh) "MEDC" means the Michigan economic development
25 corporation, which is the public body corporate created under
26 section 28 of article VII of the state constitution of 1963 and the
27 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to

1 124.512, by contractual interlocal agreement effective April 5,
2 1999, between local participating economic development corporations
3 formed under the economic development corporations act, 1974 PA
4 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

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

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

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

8 (ll) "MSHDA" means the Michigan state housing development
9 authority.

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

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

13 (oo) "PA" means public act.

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

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

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

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

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

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

25 Sec. 205. Funds appropriated in part 1 shall not be used for
26 the purchase of foreign goods or services, or both, if
27 competitively priced and of comparable quality American goods or

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

8 Sec. 206. The director of each department and agency receiving
9 appropriations in part 1 shall take all reasonable steps to ensure
10 businesses in deprived and depressed communities compete for and
11 perform contracts to provide services or supplies, or both. Each
12 director shall strongly encourage firms with which the department
13 contracts to subcontract with certified businesses in depressed and
14 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 house and senate standing committees on
23 appropriations, the chairpersons of the relevant appropriations
24 subcommittees, the house and senate fiscal agencies, and the state
25 budget director. The report shall include the following
26 information:

27 (a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state GF/GP revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 210. (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>2016</u>	<u>2017</u>	<u>2018</u>
Michigan personal income (millions).	\$440,101	\$457,265	\$474,183

House Bill No. 4323 as amended May 2, 2017

1	less: transfer payments.....	<u>94,290</u>	<u>98,721</u>	<u>103,657</u>
2	Subtotal	\$345,811	\$358,544	\$370,526
3	Divided by: Detroit consumer price			
4	index for 12 months ending June 30	2.202	2.250	2.293
5	Equals: real adjusted Michigan			
6	personal income.....	\$157,044	\$159,321	\$161,576
7	Percentage change.....	N/A	1.4%	1.4%
8	Growth rate in excess of 2%?.....	N/A	NO	NO
9	Equals: countercyclical budget and			
10	economic stabilization fund pay-in			
11	calculation for the fiscal year ending			
12	September 30, 2018 (millions).....	N/A	\$0.0	N/A
13	Growth rate less than 0%?.....	N/A	NO	NO
14	Equals: countercyclical budget and			
15	economic stabilization fund pay-out			
16	calculation for the fiscal year ending			
17	September 30, 2018 (millions).....	N/A	N/A	\$0.0
18	(2) Notwithstanding subsection (1), there is appropriated for			
19	the fiscal year ending September 30, [2018], from GF/GP revenue for			
20	deposit into the countercyclical budget and economic stabilization			
21	fund the sum of \$266,500,000.00.			
22	Sec. 211. The departments and agencies receiving			
23	appropriations in part 1 shall cooperate with the department of			
24	technology, management, and budget to maintain a searchable website			
25	that is updated at least quarterly and that is accessible by the			
26	public at no cost that includes, but is not limited to, all of the			
27	following for each department or agency:			

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

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

3 (c) Fiscal year-to-date payments to a selected vendor,
4 including the vendor name, payment date, payment amount, and
5 payment description.

6 (d) The number of active department employees by job
7 classification.

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the departments and agencies receiving
11 appropriations in part 1 shall cooperate with the state budget
12 director to provide the chairs of the senate and house of
13 representatives standing committees on appropriations, the chairs
14 of the senate and house of representatives standing committees on
15 appropriations subcommittees on general government, and the senate
16 and house fiscal agencies with an annual report on estimated state
17 restricted fund balances, state restricted fund projected revenues,
18 and state restricted fund expenditures for the fiscal years ending
19 September 30, 2017 and September 30, 2018.

20 Sec. 213. The departments and agencies receiving
21 appropriations in part 1 shall maintain, on a publicly accessible
22 website, a department or agency scorecard that identifies, tracks,
23 and regularly updates key metrics that are used to monitor and
24 improve the department's or agency's performance.

25 Sec. 215. 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. 216. The departments and agencies receiving
4 appropriations in part 1 shall receive and retain copies of all
5 reports funded from appropriations in part 1. Federal and state
6 guidelines for short-term and long-term retention of records shall
7 be followed. The department may electronically retain copies of
8 reports unless otherwise required by federal and state guidelines.

9 Sec. 217. General fund appropriations in part 1 shall not be
10 expended for items in cases where federal funding or private grant
11 funding is available for the same expenditures.

12 Sec. 218. A department or state agency shall not take
13 disciplinary action against an employee for communicating with a
14 member of the legislature or his or her staff.

15 Sec. 221. Each department and agency shall report no later
16 than April 1 on each specific policy change made to implement a
17 public act affecting the department that took effect during the
18 prior calendar year to the senate and house of representatives
19 standing committees on appropriations subcommittees on general
20 government, the joint committee on administrative rules, and the
21 senate and house fiscal agencies.

22 Sec. 229. If the office of the auditor general has identified
23 an initiative or made a recommendation that is related to savings
24 and efficiencies in an audit report for an executive branch
25 department or agency, the department or agency shall report within
26 6 months of the release of the audit on their efforts and progress
27 made toward achieving the savings and efficiencies identified in

1 the audit report. The report shall be submitted to the chairs of
2 the senate and house of representatives standing committees on
3 appropriations, the chairs of the senate and house of
4 representatives standing committees with jurisdiction over matters
5 relating to the department that is audited, and the senate and
6 house fiscal agencies.

7 Sec. 233. In addition to the GF/GP appropriations for special
8 maintenance, remodeling, and addition - state facilities in part 1,
9 there is also appropriated related federal and state restricted
10 funds up to the amounts that will be earned based upon the
11 initiatives undertaken with the funds in part 1. The state budget
12 director shall determine and authorize the appropriate manner for
13 implementing this section.

14 Sec. 234. In addition to the GF/GP appropriations for
15 enterprisewide information technology investments in part 1, there
16 is also appropriated related federal and state restricted funds up
17 to the amounts that will be earned based upon the initiatives
18 undertaken with the funds in part 1. The state budget director
19 shall determine and authorize the appropriate manner for
20 implementing this section.

21 Sec. 235. By April 1, the state budget director shall submit a
22 report to the senate and house appropriations committees, the
23 chairpersons of the relevant appropriations subcommittees, and the
24 senate and house fiscal agencies. The report shall recommend a
25 contingency plan for each federal funding source included in the
26 state budget of \$10,000,000.00 or more in the event that the
27 federal government reduces funding to the state through that source

1 by 10% or greater.

2 Sec. 240. (1) Concurrently with the submission of the fiscal
3 year 2018-2019 executive budget recommendations, the state budget
4 office shall provide the senate and house appropriations
5 committees, the chairpersons of the relevant appropriations
6 subcommittees, the senate and house fiscal agencies, and the policy
7 offices a report that lists each new program or program enhancement
8 for which funds in excess of \$500,000.00 are appropriated in part 1
9 of each departmental appropriation act.

10 (2) By July 1, 2018, the state budget director and the chairs
11 of the senate and house appropriations committees shall identify
12 new programs or program enhancements identified under subsection
13 (1) for measurement using program-specific metrics, in addition to
14 the metrics required under section 447 of the management and budget
15 act, 1984 PA 431, MCL 18.1447.

16 (3) By September 30, 2019, the state budget office shall
17 provide a report on the specific metrics and the progress in
18 meeting the estimated performance for each program identified under
19 subsection (2) to the senate and house appropriations committees,
20 the senate and house appropriations subcommittees on each state
21 department, and the senate and house fiscal agencies and policy
22 offices. It is the intent of the legislature that the governor
23 consider the estimated performance of the new program or program
24 enhancement as the basis for any increase in funds appropriated
25 from the prior year.

26 **DEPARTMENT OF ATTORNEY GENERAL**

1 Sec. 301. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$1,500,000.00 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 \$1,500,000.00 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 \$100,000.00 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 \$100,000.00 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. 301a. (1) From the funds appropriated in part 1 for
26 attorney general operations, the attorney general must maintain a
27 minimum of 24 drug investigations and may prosecute when sufficient

1 evidence is obtained. The purpose of this investment is to
2 establish a specialized drug investigation and prosecution unit.

3 (2) The attorney general's office must submit a report to the
4 house and senate appropriations subcommittees on general
5 government, the senate and house fiscal agencies, and the state
6 budget director by March 1 detailing the activities and the results
7 of the investigations and prosecutions of the unit established in
8 subsection (1).

9 Sec. 302. (1) The attorney general shall perform all legal
10 services, including representation before courts and administrative
11 agencies rendering legal opinions and providing legal advice to a
12 principal executive department or state agency. A principal
13 executive department or state agency shall not employ or enter into
14 a contract with any other person for services described in this
15 section.

16 (2) The attorney general shall defend judges of all state
17 courts if a claim is made or a civil action is commenced for
18 injuries to persons or property caused by the judge through the
19 performance of the judge's duties while acting within the scope of
20 his or her authority as a judge.

21 (3) The attorney general shall perform the duties specified in
22 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
23 14.102, and as otherwise provided by law.

24 Sec. 303. (1) The attorney general may sell copies of the
25 biennial report in excess of the 350 copies that the attorney
26 general may distribute on a gratis basis. Gratis copies shall not
27 be provided to members of the legislature. Electronic copies of

1 biennial reports shall be made available on the department of
2 attorney general's website. The attorney general shall sell copies
3 of the report at not less than the actual cost of the report and
4 shall deposit the money received into the general fund.

5 (2) The attorney general's office shall submit a report to the
6 house and senate appropriations subcommittees on general
7 government, the senate and house fiscal agencies, and the state
8 budget director by March 1. The report must include the amount of
9 revenue collected from sales of the biennial report in subsection
10 (1).

11 Sec. 304. The department of attorney general is responsible
12 for the legal representation for state of Michigan state employee
13 worker's disability compensation cases. The risk management
14 revolving fund revenue appropriation in part 1 is to be satisfied
15 by billings from the department of attorney general for the actual
16 costs of legal representation, including salaries and support
17 costs.

18 Sec. 305. In addition to the funds appropriated in part 1, not
19 more than \$400,000.00 shall be reimbursed per fiscal year for food
20 stamp fraud cases heard by the third circuit court of Wayne County
21 that were initiated by the department of attorney general pursuant
22 to the existing contract between the department of health and human
23 services, the Prosecuting Attorneys Association of Michigan, and
24 the department of attorney general. The source of this funding is
25 money earned by the department of attorney general under the
26 agreement after the allowance for reimbursement to the department
27 of attorney general for costs associated with the prosecution of

1 food stamp fraud cases. It is recognized that the federal funds are
2 earned by the department of attorney general for its documented
3 progress on the prosecution of food stamp fraud cases according to
4 the United States Department of Agriculture regulations and that,
5 once earned by this state, the funds become state funds.

6 Sec. 306. Any proceeds from a lawsuit initiated by or
7 settlement agreement entered into on behalf of this state against a
8 manufacturer of tobacco products by the attorney general are state
9 funds and are subject to appropriation as provided by law.

10 Sec. 307. (1) In addition to the antitrust revenues in part 1,
11 antitrust, securities fraud, consumer protection or class action
12 enforcement revenues, or attorney fees recovered by the department,
13 not to exceed \$250,000.00, are appropriated to the department for
14 antitrust, securities fraud, and consumer protection or class
15 action enforcement cases.

16 (2) Any unexpended funds from antitrust, securities fraud, or
17 consumer protection or class action enforcement revenues at the end
18 of the fiscal year, including antitrust funds in part 1, may be
19 carried forward for expenditure in the following fiscal year up to
20 the maximum authorization of \$250,000.00.

21 (3) The attorney general's office shall submit a report to the
22 house and senate appropriations subcommittees on general
23 government, the senate and house fiscal agencies, and the state
24 budget director by March 1. The report must detail the amount of
25 revenue from subsection (1) recovered by the attorney general,
26 including a description of the source of the revenue and the
27 carryforward amount.

1 Sec. 308. (1) In addition to the funds appropriated in part 1,
2 there is appropriated up to \$1,000,000.00 from litigation expense
3 reimbursements awarded to the state.

4 (2) The funds may be expended for the payment of court
5 judgments, settlements, arbitration awards or other administrative
6 and litigation decisions, attorney fees, and litigation costs,
7 assessed against the office of the governor, the department of the
8 attorney general, the governor, or the attorney general when acting
9 in an official capacity as the named party in litigation against
10 the state. The funds may also be expended for the payment of state
11 costs incurred under section 16 of chapter X of the code of
12 criminal procedure, 1927 PA 175, MCL 770.16.

13 (3) Unexpended funds at the end of the fiscal year may be
14 carried forward for expenditure in the following year, up to a
15 maximum authorization of \$250,000.00.

16 Sec. 309. (1) From the prisoner reimbursement funds
17 appropriated in part 1, the department may spend up to \$625,200.00
18 on activities related to the state correctional facility
19 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
20 to the funds appropriated in part 1, if the department collects in
21 excess of \$1,131,000.00 in gross annual prisoner reimbursement
22 receipts provided to the general fund, the excess, up to a maximum
23 of \$1,000,000.00, is appropriated to the department of attorney
24 general and may be spent on the representation of the department of
25 corrections and its officers, employees, and agents, including, but
26 not limited to, the defense of litigation against the state, its
27 departments, officers, employees, or agents in civil actions filed

1 by prisoners.

2 (2) The attorney general's office shall submit a report to the
3 house and senate appropriations subcommittees on general
4 government, the senate and house fiscal agencies, and the state
5 budget director by March 1. The report must include the dollar
6 amount of prisoner reimbursements collected from subsection (1) as
7 well as descriptions of all expenditures made from the
8 reimbursements, including what activities related to the state
9 correctional facility reimbursement act, 1935 PA 253, MCL 800.401
10 to 800.406, funds were spent on.

11 Sec. 310. (1) For the purposes of providing title IV-D child
12 support enforcement funding, the attorney general shall maintain a
13 cooperative agreement with the department of health and human
14 services, as the state IV-D agency, for federal IV-D funding to
15 support the child support enforcement activities within the office
16 of the attorney general.

17 (2) The attorney general or his or her designee shall, to the
18 extent allowable under federal law, have access to any information
19 used by the state to locate parents who fail to pay court-ordered
20 child support.

21 Sec. 312. The department of attorney general shall not receive
22 and expend funds in addition to those authorized in part 1 for
23 legal services provided specifically to other state departments or
24 agencies except for costs for expert witnesses, court costs, or
25 other nonsalary litigation expenses associated with a pending legal
26 action.

27 Sec. 314. (1) From the lawsuit settlement proceeds fund

1 appropriated in part 1, the department may spend the funds for the
2 costs of all associated expenses related to the declaration of
3 emergency due to drinking water contamination up to \$2,150,000.00.

4 (2) The attorney general's office must submit a quarterly
5 report to the house and senate standing committees on
6 appropriations, the house and senate appropriations subcommittees
7 on general government, the senate and house fiscal agencies, and
8 the state budget director, detailing how funds in subsection (1)
9 and all other currently and previously budgeted funds associated
10 with legal costs pertaining to the Flint water declaration of
11 emergency were expended. The report must itemize expenditures by
12 case, purpose, and department involved.

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 \$750,000.00 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, 2018 are \$17,281,300.00. From this amount, total agency
27 appropriations for pension-related legacy costs are estimated at

1 \$8,893,100.00. Total agency appropriations for retiree health care
2 legacy costs are estimated at \$8,388,200.00.

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, the chairpersons of the
27 relevant appropriations subcommittees, and the senate and house

1 fiscal agencies the amount of funds received and expended for
2 purposes authorized under this section.

3 Sec. 403. The department of civil rights may contract with
4 local units of government to review equal employment opportunity
5 compliance of potential contractors and may charge for and expend
6 amounts received from local units of government for the purpose of
7 developing and providing these contractual services.

8 Sec. 404. (1) The department of civil rights shall prepare and
9 transmit a detailed report that includes, but is not limited to,
10 the following information for the most recent fiscal year:

11 (a) A detailed description of the department operations.

12 (b) A detailed description of all subunits within the
13 department, including FTE positions associated with each subunit,
14 responsibilities of each subunit, and all revenues and expenditures
15 for each subunit.

16 (c) The number of complaints by type of complaint.

17 (d) The average cost of, and time expended, investigating
18 complaints.

19 (e) The percentage of complaints that are meritorious and
20 worthy of investigation or settlement and the percentage of
21 complaints that have no merit.

22 (f) A listing of amounts awarded to claimants.

23 (g) Expenditures associated with complaint investigation and
24 enforcement.

25 (h) A listing of complaint investigations closed per FTE
26 position for each of the past 5 years.

27 (i) A listing of complaint evaluations completed per FTE

1 position for each of the past 5 years.

2 (j) Productivity projections for the current fiscal year,
3 including investigations closed per FTE, complaint evaluations
4 completed per FTE, and average time expended investigating
5 complaints.

6 (k) Revenues and expenditures associated with section 403 by
7 local unit.

8 (2) The report required under subsection (1) shall be posted
9 online and transmitted electronically not later than November 30 to
10 the state budget director, the chairpersons of the senate and house
11 of representatives standing committees on appropriations, the
12 senate and house appropriations subcommittees on general
13 government, and the senate and house fiscal agencies.

14 Sec. 405. The department of civil rights shall notify the
15 office of the state budget, senate and house of representatives
16 standing committees on appropriations, the chairpersons of the
17 appropriations subcommittees on general government, and senate and
18 house fiscal agencies prior to submitting a report or complaint to
19 the United States Commission on Civil Rights or other federal
20 departments.

21 Sec. 410. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2018 are \$2,695,600.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$1,387,200.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$1,308,400.00.

EXECUTIVE OFFICE

Sec. 501. (1) The executive office shall report by April 15 to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on the expenditures for the office of urban initiatives. The report shall provide information detailing the economic impact and job growth initiatives for each urban and metropolitan area receiving funds under part 1. The report shall also provide information detailing the initiatives undertaken in each urban or metropolitan area receiving funds under part 1, including, but not limited to, all of the following:

(a) Transportation and infrastructure.

(b) Public services.

(c) Land use and sustainability.

(d) Housing.

(e) Workforce and economic development.

(2) Any unencumbered and unexpended funds appropriated to the office of urban initiatives in the previous fiscal year shall lapse to the general fund on October 1.

LEGISLATURE

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of

1 the legislative entity. If the authorized agent of the legislative
2 entity notifies the state budget director of its approval of an
3 expenditure or transfer before the year-end book-closing date for
4 that legislative entity, the state budget director shall
5 immediately make the expenditure or transfer. The authorized
6 legislative entity agency shall be designated by the speaker of the
7 house of representatives for house entities, the senate majority
8 leader for senate entities, and the legislative council for
9 legislative council entities.

10 (2) Funds appropriated within the legislative branch, to a
11 legislative council component, shall not be expended by any agency
12 or other subgroup included in that component without the approval
13 of the legislative council.

14 Sec. 602. The senate may charge rent and assess charges for
15 utility costs. The amounts received for rent charges and utility
16 assessments are appropriated to the senate for the renovation,
17 operation, and maintenance of the Senate Office Building and other
18 properties.

19 Sec. 603. From the appropriation contained in part 1 for
20 national association dues, the first \$34,800.00 shall be paid to
21 the National Conference of Commissioners of Uniform State Laws. The
22 remaining funds shall be distributed accordingly by the legislative
23 council.

24 Sec. 604. (1) The appropriation in part 1 to the Michigan
25 state capitol historic site includes funds to operate the
26 legislative parking facilities in the capitol area. The Michigan
27 state capitol commission shall establish rules regarding the

1 operation of the legislative parking facilities.

2 (2) The Michigan state capitol commission shall collect a fee
3 from state employees and the general public using certain
4 legislative parking facilities. The revenues received from the
5 parking fees are appropriated upon receipt and shall be allocated
6 by the Michigan state capitol commission.

7 Sec. 605. The appropriation in part 1 to the legislative
8 council for publication of the Michigan manual is a work project
9 account. The unexpended portion remaining on September 30 shall not
10 lapse and shall be carried forward into the subsequent fiscal year
11 for use in paying the associated biennial costs of publication of
12 the Michigan manual.

13 Sec. 606. The appropriations in part 1 to the legislative
14 branch, for property management, shall be used to purchase
15 equipment and services for building maintenance in order to ensure
16 a safe and productive work environment. These funds are designated
17 as work project appropriations and shall not lapse at the end of
18 the fiscal year, and shall continue to be available for expenditure
19 until the project has been completed. The total cost is estimated
20 at \$2,000,000.00, and the tentative completion date is September
21 30, 2021.

22 Sec. 607. The appropriations in part 1 to the legislative
23 branch, for automated data processing, shall be used to purchase
24 equipment, software, and services in order to support and implement
25 data processing requirements and technology improvements. These
26 funds are designated as work project appropriations in accordance
27 with section 451a of the management and budget act, 1984 PA 431,

1 MCL 18.1451a, and shall not lapse at the end of the fiscal year,
2 and shall continue to be available for expenditure until the
3 project has been completed. The total cost is estimated at
4 \$2,000,000.00, and the tentative completion date is September 30,
5 2021.

6 Sec. 608. In addition to funds appropriated in part 1, the
7 Michigan capitol committee publications save the flags fund account
8 may accept contributions, gifts, bequests, devises, grants, and
9 donations. Those funds that are not expended in the fiscal year
10 ending September 30 shall not lapse at the close of the fiscal
11 year, and shall be carried forward for expenditure in the following
12 fiscal years.

13 Sec. 615. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the fiscal year ending September
15 30, 2018 are \$21,252,700.00. From this amount, total agency
16 appropriations for pension-related legacy costs are estimated at
17 \$10,936,800.00. Total agency appropriations for retiree health care
18 legacy costs are estimated at \$10,315,900.00.

19 Sec. 616. The appropriation in part 1 for the legislative IT
20 systems design project shall be used for the design, development,
21 and implementation of a legislative computer system. Funds
22 described in this section shall not be expended without written
23 approval of the senate majority leader or his or her designee, the
24 speaker of the house of representatives or his or her designee, and
25 the legislative council administrator or his or her designee. The
26 appropriations described in this section are designated as work
27 project appropriations in accordance with section 451a of the

1 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not
2 lapse at the end of the fiscal year. The unexpended portion of
3 these funds shall continue to be available for expenditure until
4 the project has been completed. The total cost is estimated at
5 \$12,000,000.00 and the tentative completion date is September 30,
6 2020.

7 Sec. 618. It is the intent of the legislature that all
8 administrative functions and associated funding for the Michigan
9 legislative retirement system shall be transferred from the
10 legislative council to the department of technology, management,
11 and budget before the end of the 2017-2018 fiscal year.

12 Sec. 619. The funds appropriated in part 1 for the Michigan
13 veterans facility ombudsman shall be used to maintain a veterans
14 facility ombudsman to address complaints made at the veterans'
15 homes of this state.

16 **LEGISLATIVE AUDITOR GENERAL**

17 Sec. 620. Pursuant to section 53 of article IV of the state
18 constitution of 1963, the auditor general shall conduct audits of
19 the judicial branch. The audits may include the supreme court and
20 its administrative units, the court of appeals, and trial courts.

21 Sec. 621. (1) The auditor general shall take all reasonable
22 steps to ensure that certified minority- and women-owned and
23 operated accounting firms, and accounting firms owned and operated
24 by persons with disabilities participate in the audits of the
25 books, accounts, and financial affairs of each principal executive
26 department, branch, institution, agency, and office of this state.

1 (2) The auditor general shall strongly encourage firms with
2 which the auditor general contracts to perform audits of the
3 principal executive departments and state agencies to subcontract
4 with certified minority- and women-owned and operated accounting
5 firms, and accounting firms owned and operated by persons with
6 disabilities.

7 (3) The auditor general shall compile an annual report
8 regarding the number of contracts entered into with certified
9 minority- and women-owned and operated accounting firms, and
10 accounting firms owned and operated by persons with disabilities.
11 The auditor general shall deliver the report to the state budget
12 director and the senate and house of representatives standing
13 committees on appropriations subcommittees on general government by
14 November 1 of each year.

15 Sec. 622. From the funds appropriated in part 1 to the
16 legislative auditor general, the auditor general's salary and the
17 salaries of the remaining 2.0 FTE unclassified positions shall be
18 set by the speaker of the house of representatives, the senate
19 majority leader, the house of representatives minority leader, and
20 the senate minority leader.

21 Sec. 623. Any audits, reviews, or investigations requested of
22 the auditor general by the legislature or by legislative
23 leadership, legislative committees, or individual legislators shall
24 include an estimate of the additional costs involved and, when
25 those costs exceed \$50,000.00, should provide supplemental funding.
26 The auditor general shall determine whether to perform those
27 activities in keeping with Audit Directive No. 29, which describes

1 the office of the auditor general's policy on responding to
2 legislative requests.

3 **DEPARTMENT OF STATE**

4 Sec. 701. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$2,000,000.00 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 \$7,500,000.00 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 \$50,000.00 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,

1 MCL 18.1393.

2 Sec. 703. From the funds appropriated in part 1, the
3 department of state shall sell copies of records including, but not
4 limited to, records of motor vehicles, off-road vehicles,
5 snowmobiles, watercraft, mobile homes, personal identification
6 cardholders, drivers, and boat operators and shall charge \$11.00
7 per record sold only as authorized in section 208b of the Michigan
8 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
9 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
10 natural resources and environmental protection act, 1994 PA 451,
11 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
12 received from the sale of records shall be credited to the
13 transportation administration collection fund created under section
14 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
15 department of state shall provide quarterly reports to the
16 legislature, the chairpersons of the relevant appropriations
17 subcommittees, and the senate and house fiscal agencies. The report
18 shall be provided within 15 days of the close of the quarter and
19 shall include the number of records sold and the revenues
20 collected.

21 Sec. 704. From the funds appropriated in part 1, the secretary
22 of state may enter into agreements with the department of
23 corrections for the manufacture of vehicle registration plates 15
24 months before the registration year in which the registration
25 plates will be used.

26 Sec. 705. (1) The department of state may accept gifts,
27 donations, contributions, and grants of money and other property

1 from any private or public source to underwrite, in whole or in
2 part, the cost of a departmental publication that is prepared and
3 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
4 257.1 to 257.923. A private or public funding source may receive
5 written recognition in the publication and may furnish a traffic
6 safety message, subject to departmental approval, for inclusion in
7 the publication. The department may reject a gift, donation,
8 contribution, or grant. The department may furnish copies of a
9 publication underwritten, in whole or in part, by a private source
10 to the underwriter at no charge.

11 (2) The department of state may sell and accept paid
12 advertising for placement in a departmental publication that is
13 prepared and disseminated under the Michigan vehicle code, 1949 PA
14 300, MCL 257.1 to 257.923. The department may charge and receive a
15 fee for any advertisement appearing in a departmental publication
16 and shall review and approve the content of each advertisement. The
17 department may refuse to accept advertising from any person or
18 organization. The department may furnish a reasonable number of
19 copies of a publication to an advertiser at no charge.

20 (3) Pending expenditure, the funds received under this section
21 shall be deposited in the Michigan department of state publications
22 fund created by section 211 of the Michigan vehicle code, 1949 PA
23 300, MCL 257.211. Funds given, donated, or contributed to the
24 department from a private source are appropriated and allocated for
25 the purpose for which the revenue is furnished. Funds granted to
26 the department from a public source are allocated and may be
27 expended upon receipt. The department shall not accept a gift,

1 donation, contribution, or grant if receipt is conditioned upon a
2 commitment of state funding at a future date. Revenue received from
3 the sale of advertising is appropriated and may be expended upon
4 receipt.

5 (4) Any unexpended revenues received under this section shall
6 be carried over into subsequent fiscal years and shall be available
7 for appropriation for the purposes described in this section.

8 (5) 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 chairpersons of the relevant
11 appropriations subcommittees, the senate and house fiscal agencies,
12 and the state budget director. The report shall include all of the
13 following information:

14 (a) The amount of gifts, contributions, donations, and grants
15 of money received by the department under this section for the
16 prior fiscal year.

17 (b) A listing of the expenditures made from the amounts
18 received by the department as reported in subdivision (a).

19 (c) A listing of any gift, donation, contribution, or grant of
20 property other than funding received by the department under this
21 section for the prior year.

22 (d) The total revenue received from the sale of paid
23 advertising accepted under this section and a statement of the
24 total number of advertising transactions.

25 (6) In addition to copies delivered without charge as the
26 secretary of state considers necessary, the department of state may
27 sell copies of manuals and other publications regarding the sale,

1 ownership, or operation or regulation of motor vehicles, with
2 amendments, at prices to be established by the secretary of state.
3 As used in this subsection, the term "manuals and other
4 publications" includes videos and proprietary electronic
5 publications. All funds received from sales of these manuals and
6 other publications shall be credited to the Michigan department of
7 state publications fund.

8 Sec. 707. Funds collected by the department of state under
9 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
10 are appropriated for all expenses necessary to provide for the
11 costs of the publication. Funds are allotted for expenditure when
12 they are received by the department of treasury and shall not lapse
13 to the general fund at the end of the fiscal year.

14 Sec. 708. From the funds appropriated in part 1, the
15 department of state shall use available balances at the end of the
16 state fiscal year to provide payment to the department of state
17 police in the amount of \$332,000.00 for the services provided by
18 the traffic accident records program as first appropriated in 1990
19 PA 196 and 1990 PA 208.

20 Sec. 709. From the funds appropriated in part 1, the
21 department of state may restrict funds from miscellaneous revenue
22 to cover cash shortages created from normal branch office
23 operations. This amount shall not exceed \$50,000.00 of the total
24 funds available in miscellaneous revenue.

25 Sec. 710. (1) Commemorative and specialty license plate fee
26 revenue collected by the department of state and deposited into the
27 transportation administration collection fund created in section

1 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
2 authorized for expenditure up to the amount of revenue collected
3 but not to exceed the amount appropriated to the department of
4 state in part 1 to administer commemorative and specialty license
5 plate programs.

6 (2) Commemorative and specialty license plate fee revenue
7 collected by the department of state and deposited in the
8 transportation administration collection fund created in section
9 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
10 addition to the amount appropriated in part 1 to the department of
11 state, shall remain in the transportation administration collection
12 fund created in section 810b of the Michigan vehicle code, 1949 PA
13 300, MCL 257.810b, and be available for future appropriation.

14 Sec. 711. Collector plate and fund-raising registration plate
15 revenues collected by the department of state are appropriated and
16 allotted for distribution to the recipient university or public or
17 private agency overseeing a state-sponsored goal when received.
18 Distributions shall occur on a quarterly basis or as otherwise
19 authorized by law. Any revenues remaining at the end of the fiscal
20 year shall not lapse to the general fund but shall remain available
21 for distribution to the university or agency in the next fiscal
22 year.

23 Sec. 712. The department of state may produce and sell copies
24 of a training video designed to inform registered automotive repair
25 facilities of their obligations under Michigan law. The price shall
26 not exceed the cost of production and distribution. The money
27 received from the sale of training videos shall revert to the

1 department of state and be placed in the auto repair facility
2 account.

3 Sec. 713. (1) The department of state, in collaboration with
4 the gift of life transplantation society or its successor federally
5 designated organ procurement organization, may develop and
6 administer a public information campaign concerning the Michigan
7 organ donor program.

8 (2) The department of state may solicit funds from any private
9 or public source to underwrite, in whole or in part, the public
10 information campaign authorized by this section. The department may
11 accept gifts, donations, contributions, and grants of money and
12 other property from private and public sources for this purpose. A
13 private or public funding source underwriting the public
14 information campaign, in whole or in substantial part, shall
15 receive sponsorship credit for its financial backing.

16 (3) Funds received under this section, including grants from
17 state and federal agencies, shall not lapse to the general fund at
18 the end of the fiscal year but shall remain available for
19 expenditure for the purposes described in this section.

20 (4) Funding appropriated in part 1 for the organ donor program
21 shall be used for producing a pamphlet to be distributed with
22 driver licenses and personal identification cards regarding organ
23 donations. The funds shall be used to update and print a pamphlet
24 that will explain the organ donor program and encourage people to
25 become donors by marking a checkoff on driver license and personal
26 identification card applications.

27 (5) The pamphlet shall include a return reply form addressed

1 to the gift of life organization. Funding appropriated in part 1
2 for the organ donor program shall be used to pay for return postage
3 costs.

4 (6) In addition to the appropriations in part 1, the
5 department of state may receive and expend funds from the organ and
6 tissue donation education fund for administrative expenses.

7 (7) The department must submit a report to the house and
8 senate appropriations subcommittees on general government, the
9 senate and house fiscal agencies, and the state budget director by
10 March 1 that provides the amount of revenue collected by the
11 department of state authorized under this section, the purpose of
12 each expenditure, and the amount of revenue carried forward.

13 Sec. 714. (1) Except as otherwise provided under subsection
14 (2), at least 180 days before closing a branch office or
15 consolidating a branch office and at least 60 days before
16 relocating a branch office, the department of state shall inform
17 members of the senate and house of representatives standing
18 committees on appropriations and legislators who represent affected
19 areas regarding the details of the proposal. The information
20 provided shall be in written form and include all analyses done
21 regarding criteria for changes in the location of branch offices,
22 including, but not limited to, branch transactions, revenue, and
23 the impact on citizens of the affected area. The impact on citizens
24 shall include information regarding additional distance to branch
25 office locations resulting from the plan. The written notice
26 provided by the department of state shall also include detailed
27 estimates of costs and savings that will result from the overall

1 changes made to the branch office structure and the same level of
2 detail regarding costs for new leased facilities and expansions of
3 current leased space.

4 (2) If the consolidation of a branch office is with another
5 branch office that is located within the same local unit of
6 government or the relocation of a branch office is to another
7 location that is located within the same local unit of government,
8 the department of state is not required to provide the notification
9 or written information described in subsection (1).

10 (3) As used in this section, "local unit of government" means
11 a city, village, township, or county.

12 Sec. 715. (1) Any service assessment collected by the
13 department of state from the user of a credit or debit card under
14 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
15 for necessary expenses related to that service and may be remitted
16 to a credit or debit card company, bank, or other financial
17 institution.

18 (2) The service assessment imposed by the department of state
19 for credit and debit card services may be based either on a
20 percentage of each individual credit or debit card transaction, or
21 on a flat rate per transaction, or both, scaled to the amount of
22 the transaction. However, the department shall not charge any
23 amount for a service assessment which exceeds the costs billable to
24 the department for service assessments.

25 (3) If there is a balance of service assessments received from
26 credit and debit card services remaining on September 30, the
27 balance may be carried forward to the following fiscal year and

1 appropriated for the same purpose.

2 (4) As used in this section, "service assessment" means and
3 includes costs associated with service fees imposed by credit and
4 debit card companies and processing fees imposed by banks and other
5 financial institutions.

6 (5) The department must submit a report to the house and
7 senate appropriations subcommittees on general government, the
8 senate and house fiscal agencies, and the state budget director by
9 March 1 that includes the amount of fees assessed by the department
10 of state authorized under this section, the number of assessed
11 credit and debit card transactions, the type of assessment used as
12 described in subsection (2), the amount of service fees imposed by
13 credit and debit card companies, and the amount of funds carried
14 forward.

15 Sec. 716b. The department of state shall provide a report that
16 calculates the total amount of funds expended for the business
17 application modernization project to date from the inception of the
18 program. The report shall contain information on the original start
19 and completion dates for the project, the original cost to complete
20 the project, and a listing of all revisions to project completion
21 dates and costs. The report shall include the total amount of funds
22 paid to the state by the contract provider for penalties. The
23 report shall be submitted to the senate and house of
24 representatives standing committees on appropriations, the
25 chairpersons of the relevant appropriations subcommittees, the
26 senate and house fiscal agencies, and the state budget director by
27 January 1.

1 Sec. 717. (1) The department of state may accept nonmonetary
2 gifts, donations, or contributions of property from any private or
3 public source to support, in whole or in part, the operation of a
4 departmental function relating to licensing, regulation, or safety.
5 The department may recognize a private or public contributor for
6 making the contribution. The department may reject a gift,
7 donation, or contribution.

8 (2) The department of state shall not accept a gift, donation,
9 or contribution under subsection (1) if receipt of the gift,
10 donation, or contribution is conditioned upon a commitment of
11 future state funding.

12 (3) On March 1 of each year, the department of state shall
13 file a report with the senate and house of representatives standing
14 committees on appropriations, the chairpersons of the relevant
15 appropriations subcommittees, the senate and house fiscal agencies,
16 and the state budget director. The report shall list any gift,
17 donation, or contribution received by the department under
18 subsection (1) for the prior calendar year.

19 Sec. 718. From the funds appropriated in part 1 to the
20 department of state, branch operations, the department shall
21 maintain a full service secretary of state branch office in Buena
22 Vista Township.

23 Sec. 722. (1) From the funds appropriated in part 1 for
24 information technology services and projects, the department of
25 state shall continue implementation of a legacy modernization
26 project. The purpose of this project is modernization of the entire
27 system and removal of existing programs from the legacy mainframes.

(2) The department of state shall provide a report on the status of the legacy modernization project that includes, but is not limited to, itemization of all expenditures made on behalf of the project, anticipated completion date of the project, time frame of each phase of the project, the cost of the project, the number of employees assigned to implement each phase of the project, the contracts entered into for the project, anticipated overall cost of the project, and any other information the department considers necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 724. The funds appropriated in part 1 for uniform law commission registration fees shall be used to pay the registration fees for the statutory commissioners at the uniform law commission annual meeting. The funds shall not be used for any other associated costs. Unexpended funds shall lapse to the general fund at the close of the fiscal year.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at \$31,170,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$16,040,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$15,129,800.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1,

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

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$8,000,000.00 for state
8 restricted 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 (3) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$150,000.00 for local
14 contingency funds. These funds are not available for expenditure
15 until they have been transferred to another line item in part 1
16 under section 393(2) of the management and budget act, 1984 PA 431,
17 MCL 18.1393.

18 (4) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$100,000.00 for private
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 Sec. 802. Proceeds in excess of necessary costs incurred in
25 the conduct of transfers or auctions of state surplus, salvage, or
26 scrap property made pursuant to section 267 of the management and
27 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the

1 department to offset costs incurred in the acquisition and
2 distribution of federal surplus property. The department shall
3 provide consolidated internet auction services through the state's
4 contractors for all local units of government.

5 Sec. 803. (1) The department may receive and expend funds in
6 addition to those authorized by part 1 for maintenance and
7 operation services provided specifically to other principal
8 executive departments or state agencies, the legislative branch,
9 the judicial branch, or private tenants, or provided in connection
10 with facilities transferred to the operational jurisdiction of the
11 department.

12 (2) The department may receive and expend funds in addition to
13 those authorized by part 1 for real estate, architectural, design,
14 and engineering services provided specifically to other principal
15 executive departments or state agencies, the legislative branch,
16 the judicial branch, or private tenants.

17 (3) The department may receive and expend funds in addition to
18 those authorized in part 1 for mail pickup and delivery services
19 provided specifically to other principal executive departments and
20 state agencies, the legislative branch, or the judicial branch.

21 (4) The department may receive and expend funds in addition to
22 those authorized in part 1 for purchasing services provided
23 specifically to other principal executive departments and state
24 agencies, the legislative branch, or the judicial branch.

25 Sec. 804. (1) The source of financing in part 1 for statewide
26 appropriations shall be funded by assessments against longevity and
27 insurance appropriations throughout state government in a manner

1 prescribed by the department. Funds shall be used as specified in
2 joint labor/management agreements or through the coordinated
3 compensation hearings process. Any deposits made under this
4 subsection and any unencumbered funds are restricted revenues, may
5 be carried over into the succeeding fiscal years, and are
6 appropriated.

7 (2) In addition to the funds appropriated in part 1 for
8 statewide appropriations, the department may receive and expend
9 funds in such additional amounts as may be specified in joint
10 labor/management agreements or through the coordinated compensation
11 hearings process in the same manner and subject to the same
12 conditions as prescribed in subsection (1).

13 Sec. 805. To the extent a specific appropriation is required
14 for a detailed source of financing included in part 1 for the
15 department appropriations financed from special revenue and
16 internal service and pension trust funds, or MAIN user charges, the
17 specific amounts are appropriated within the special revenue
18 internal service and pension trust funds in portions not to exceed
19 the aggregate amount appropriated in part 1.

20 Sec. 806. In addition to the funds appropriated in part 1 to
21 the department, the department may receive and expend funds from
22 other principal executive departments and state agencies to
23 implement administrative leave bank transfer provisions as may be
24 specified in joint labor/management agreements. The amounts may
25 also be transferred to other principal executive departments and
26 state agencies under the joint agreement and any amounts
27 transferred under the joint agreement are authorized for receipt

1 and expenditure by the receiving principal executive department or
2 state agency. Any amounts received by the department under this
3 section and intended, under the joint labor/management agreements,
4 to be available for use beyond the close of the fiscal year and any
5 unencumbered funds may be carried over into the succeeding fiscal
6 year.

7 Sec. 807. The source of financing in part 1 for the Michigan
8 administrative information network and statewide integrated
9 governmental management applications shall be funded by
10 proportionate charges assessed against the respective state funds
11 benefiting from this project in the amounts determined by the
12 department.

13 Sec. 808. (1) Deposits against the interdepartmental grant
14 from building occupancy and parking charges appropriated in part 1
15 shall be collected, in part, from state agencies, the legislative
16 branch, and the judicial branch based on estimated costs associated
17 with maintenance and operation of buildings managed by the
18 department. To the extent excess revenues are collected due to
19 estimates of building occupancy charges exceeding actual costs, the
20 excess revenues may be carried forward into succeeding fiscal years
21 for the purpose of returning funds to state agencies.

22 (2) Appropriations in part 1 to the department, for management
23 and budget services from building occupancy charges and parking
24 charges, may be increased to return excess revenue collected to
25 state agencies.

26 Sec. 809. On a quarterly basis, the department shall notify
27 the chairpersons of the senate and house of representatives

1 standing committees on appropriations, the chairpersons of the
2 senate and house of representatives standing committees on
3 appropriations subcommittees on general government, the house and
4 senate fiscal agencies, and the state budget director on any
5 revisions either individually or in the aggregate that increase or
6 decrease current contracts by more than \$500,000.00 for computer
7 software development, hardware acquisition, or quality assurance.

8 Sec. 810. The department shall maintain an internet website
9 that contains notice of all invitations for bids and requests for
10 proposals over \$50,000.00 issued by the department or by any state
11 agency operating under delegated authority. The department shall
12 not accept an invitation for bid or request for proposal in less
13 than 14 days after the notice is made available on the internet
14 website, except in situations where it would be in the best
15 interest of the state and documented by the department. In addition
16 to the requirements of this section, the department may advertise
17 the invitations for bids and requests for proposals in any manner
18 the department determines appropriate, in order to give the
19 greatest number of individuals and businesses the opportunity to
20 make bids or requests for proposals.

21 Sec. 811. The department may receive and expend funds from the
22 Vietnam veterans memorial monument fund as provided in the Michigan
23 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
24 Funds are appropriated and allocated when received and may be
25 expended upon receipt.

26 Sec. 812. The Michigan veterans' memorial park commission may
27 receive and expend money from any source, public or private,

1 including, but not limited to, gifts, grants, donations of money,
2 and government appropriations, for the purposes described in
3 Executive Order No. 2001-10. Funds are appropriated and allocated
4 when received and may be expended upon receipt. Any deposits made
5 under this section and unencumbered funds are restricted revenues
6 and may be carried over into succeeding fiscal years.

7 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
8 appropriated to the department for administration and for the
9 acquisition, lease, operation, maintenance, repair, replacement,
10 and disposal of state motor vehicles.

11 (2) The appropriation in part 1 for motor vehicle fleet shall
12 be funded by revenue from rates charged to principal executive
13 departments and agencies for utilizing vehicle travel services
14 provided by the department. Revenue in excess of the amount
15 appropriated in part 1 from the motor transport fund and any
16 unencumbered funds are restricted revenues and may be carried over
17 into the succeeding fiscal year.

18 (3) Pursuant to the department's authority under sections 213
19 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213
20 and 18.1215, the department shall maintain a plan regarding the
21 operation of the motor vehicle fleet. The plan shall include the
22 number of vehicles assigned to, or authorized for use by, state
23 departments and agencies, efforts to reduce travel expenditures,
24 the number of cars in the motor vehicle fleet, the number of miles
25 driven by fleet vehicles, and the number of gallons of fuel
26 consumed by fleet vehicles. The plan shall include a calculation of
27 the amount of state motor vehicle fuel taxes that would have been

1 incurred by fleet vehicles if fleet vehicles were required by law
2 to pay motor fuel taxes. The plan shall include a description of
3 fleet garage operations, the goods sold and services provided by
4 the fleet garage, the cost to operate the fleet garage, the number
5 of fleet garage locations, and the number of employees assigned to
6 each fleet garage. The plan may be adjusted during the fiscal year
7 based on needs and cost savings to achieve the maximum value and
8 efficiency from the state motor fleet. Within 60 days after the
9 close of the fiscal year, the department shall provide a report to
10 the senate and house of representatives standing committees on
11 appropriations, the chairpersons of the relevant appropriations
12 subcommittees, the senate and house fiscal agencies, and the state
13 budget director detailing the current plan and changes made to the
14 plan during the fiscal year. The plan shall also be posted on the
15 department website.

16 (4) The department may charge state agencies for fuel cost
17 increases that exceed \$3.04 per gallon of unleaded gasoline. The
18 department shall notify state agencies, in writing or by electronic
19 mail, at least 30 days before implementing additional charges for
20 fuel cost increases. Revenues received from these charges are
21 appropriated upon receipt.

22 (5) The state budget director, upon notification to the senate
23 and house of representatives standing committees on appropriations,
24 may adjust spending authorization and the IDG from motor transport
25 fund in the department in order to ensure that the appropriations
26 for motor vehicle fleet in the department budget equal the
27 expenditures for motor vehicle fleet in the budgets for all

1 executive branch agencies.

2 Sec. 814. The department shall develop a plan regarding the
3 use of the funds appropriated in part 1 for the enterprisewide
4 information technology investment projects. The plan shall include,
5 but not be limited to, a description of proposed information
6 technology investment projects, the time frame for completion of
7 the information technology investment projects, the proposed cost
8 of the information technology investment projects, the number of
9 employees assigned to implement each information technology
10 investment project, the contracts entered into for each information
11 technology investment project, and any other information the
12 department deems necessary. The plan shall be distributed to the
13 senate and house of representatives standing committees on
14 appropriations subcommittees on general government, as well as the
15 senate and house fiscal agencies, and the state budget director on
16 a quarterly basis. The submitted plan shall also include
17 anticipated spending reductions or overages for each of the
18 proposed information technology investment projects. The department
19 shall notify the senate and house of representatives standing
20 committees on appropriations subcommittees on general government,
21 the senate and house fiscal agencies, and the state budget director
22 when a project funded under an information technology investment
23 project line item in part 1 is expected to require a transfer of
24 dollars from another project in excess of \$500,000.00.

25 Sec. 814a. The funds appropriated in part 1 for information
26 technology investment projects shall be used for the modernization
27 of state information technology systems, improvement of the state's

1 cyber security framework, and to achieve efficiencies.

2 Sec. 816. An RFP issued for the purpose of privatization shall
3 include all factors used in evaluating and determining price.

4 Sec. 818. In addition to the funds appropriated in part 1, the
5 department may receive and expend money from the Michigan law
6 enforcement officers memorial monument fund as provided in the
7 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
8 28.781 to 28.787.

9 Sec. 820. The department shall make available to the public a
10 list of all parcels of real property owned by the state that are
11 available for purchase. The list shall be posted on the internet
12 through the department's website.

13 Sec. 821. The department shall annually update the office
14 space consolidation project plan, including the use of the funds
15 appropriated pursuant to 2012 PA 200 for the space consolidation
16 fund. By February 15, the department shall report to the senate and
17 house of representatives committees on appropriations subcommittees
18 on general government and the senate and house fiscal agencies on
19 the revised plan and plan implementation. The report shall include,
20 but is not limited to, the description of the proposed office space
21 to be consolidated, the time frame for completion of the office
22 space consolidation, the proposed itemized cost of the office space
23 consolidation, the number of employees assigned to implement the
24 office space consolidation, the contracts entered into for the
25 office space consolidation, information on completed projects,
26 anticipated savings, savings achieved, and any other information
27 the department deems necessary.

1 Sec. 822. The department shall compile a report by January 1
2 pertaining to the salaries of unclassified employees, as well as
3 gubernatorial appointees, within all state departments and
4 agencies. The report shall enumerate each unclassified employee and
5 gubernatorial appointee and his or her annual salary individually.
6 The report shall be distributed to the chairs of the senate and
7 house of representatives standing committees on appropriations
8 subcommittees on general government, as well as the senate and
9 house fiscal agencies and be made available electronically.

10 Sec. 822b. (1) A public-private partnership investment fund is
11 created in the department. Subject to subsections (2) and (3),
12 public-private partnership investments shall include, but are not
13 limited to, all of the following:

14 (a) Capital asset improvements including buildings, land, or
15 structures.

16 (b) Energy resource exploration, extraction, generation, and
17 sales.

18 (c) Financial and investment incentive opportunities.

19 (d) Infrastructure construction, maintenance, and operation.

20 (e) Public-private sector joint ventures that provide economic
21 benefit to an area or to the state.

22 (2) Public-private investments shall not include projects,
23 consultant expenses, staff effort, or any other activity related to
24 the development, financing, construction, operation, or
25 implementation of the Detroit River International Crossing or any
26 successor project unless the project is approved by the legislature
27 and signed into law.

1 (3) The state budget director shall determine whether or not a
2 specific public-private partnership investment opportunity
3 qualifies for funding under subsection (1).

4 (4) Investment development revenue, including a portion of the
5 proceeds from the sale of any public-private partnership investment
6 designated in subsection (1), shall be deposited into the fund
7 created in subsection (1) and shall be available for
8 administration, development, financing, marketing, and operating
9 expenditures associated with public-private partnerships, unless
10 otherwise provided by law. Public-private partnership investments
11 authorized in subsection (1) are authorized for public or private
12 operation or sale consistent with state law. Expenditures from the
13 fund are authorized for investment purposes as designated in
14 subsection (1) to enhance the marketable value of each investment.
15 The unencumbered balance remaining in the fund at the end of the
16 fiscal year may be carried forward for appropriation in future
17 years.

18 (5) An annual report shall be transmitted to the senate and
19 house of representatives standing committees on appropriations, the
20 chairpersons of the relevant appropriations subcommittees, the
21 senate and house fiscal agencies, and the state budget office not
22 later than December 31 of each year. This report shall detail both
23 of the following:

24 (a) The revenue and expenditure activity in the fund for the
25 preceding fiscal year.

26 (b) Public-private partnership investments as identified under
27 subsection (1).

1 (6) The department shall monitor the revenue deposited in the
2 public-private partnership investment fund created in subsection
3 (1). If the revenue in the fund is insufficient to pay the amount
4 appropriated in part 1 for public-private partnership investment,
5 then the department shall propose a legislative transfer to fund
6 the line from the appropriations in part 1.

7 Sec. 822c. The funds appropriated in part 1 shall not be used
8 to support any staff effort, projects, consultant expenses, or any
9 other activity related to the development, financing, construction,
10 operation, or implementation of the Detroit River International
11 Crossing or any successor project unless the project is approved by
12 the legislature and signed into law.

13 Sec. 822d. By December 31, the department shall provide a
14 report to the senate and house appropriations subcommittees on
15 general government and the senate and house fiscal agencies that
16 identifies fee and rate schedules to be used by state departments
17 and agencies for services, including information technology,
18 provided by the department during fiscal year 2017-2018. The report
19 shall also identify changes from fees and rates charged in fiscal
20 year 2016-2017 and include an explanation of the factors that
21 justify each fee and rate increase.

22 Sec. 822e. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2018 are estimated at \$84,145,300.00. From this amount, total
25 agency appropriations for pension-related legacy costs are
26 estimated at \$43,301,700.00. Total agency appropriations for
27 retiree health care legacy costs are estimated at \$40,843,600.00.

1 Sec. 822f. (1) The funds appropriated in part 1 for the
2 regional prosperity initiative are to be used as competitive grants
3 to eligible regional planning organizations qualifying for funding
4 as a regional prosperity collaborative, a regional prosperity
5 council, or a regional prosperity board. A regional planning
6 organization may not qualify for funding under more than 1 category
7 in the same state fiscal year. As used in this section:

8 (a) "Eligible regional planning organization" means any of the
9 following:

10 (i) An existing regional planning commission created pursuant
11 to 1945 PA 281, MCL 125.11 to 125.25.

12 (ii) An existing regional economic development commission
13 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

14 (iii) An existing metropolitan area council formed pursuant to
15 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

16 (iv) A Michigan metropolitan planning organization established
17 pursuant to the moving ahead for progress in the 21st century act,
18 Public Law 112-141.

19 (b) "Freedom of information act" means the freedom of
20 information act, 5 USC 552.

21 (c) "Open meetings act" means the open meetings act, 1976 PA
22 267, MCL 15.261 to 15.275.

23 (d) "Regional prosperity board" means a regional body that has
24 a singular governing board with representation from private,
25 public, and nonprofit entities engaged in joint decision-making
26 practices for the purpose of creating or maintaining a phase three:
27 regional prosperity plan.

1 (e) "Regional prosperity collaborative" means any committee
2 developed by a regional planning organization or a metropolitan
3 planning organization that serves to bring organizational
4 representation together from private, public, and nonprofit
5 entities within a region for the purpose of creating or maintaining
6 a phase one: regional prosperity plan.

7 (f) "Regional prosperity council" means a regional body with
8 representation from private, public, and nonprofit entities with
9 shared administrative services and an executive governing entity,
10 as demonstrated by a formal local agreement or agreements for the
11 purpose of creating or maintaining a phase two: regional prosperity
12 plan.

13 (2) Regional planning organizations may qualify to receive not
14 more than \$250,000.00 of incentive-based funding as a regional
15 prosperity collaborative subject to meeting all of the following
16 requirements:

17 (a) The regional prosperity collaborative has created a phase
18 one: regional prosperity plan, as follows:

19 (i) The regional prosperity collaborative must include
20 regional representatives from adult education, workforce
21 development, community development, economic development,
22 transportation, and higher education organizations.

23 (ii) The plan is required, at a minimum, to include a 5-year
24 plan focused on economic growth and vitality for the region, as
25 well as a performance dashboard and measurable annual goals to
26 support the 5-year plan.

27 (iii) The 5-year plan shall address regional strategies

1 related to adult education, workforce development, economic
2 development, transportation, higher education, and business
3 development.

4 (iv) The regional prosperity collaborative shall adopt the
5 plan by a minimum 2/3 majority vote of its members.

6 (b) The regional prosperity collaborative adheres to
7 accountability and transparency measures required in the open
8 meetings act and the freedom of information act.

9 (c) The regional prosperity collaborative convenes monthly
10 meetings, open to the public, to consider and discuss issues
11 leading to a common vision of economic prosperity for the region,
12 including, but not limited to, community development, economic
13 development, talent, and infrastructure opportunities.

14 (d) The regional prosperity collaborative makes available on
15 the grant recipient's publicly accessible internet site pertinent
16 documents, including, but not limited to, monthly meeting agendas,
17 minutes of monthly meetings, voting records, and the regional
18 prosperity plan and performance dashboard.

19 (e) The regional prosperity collaborative keeps a status
20 report detailing the spending associated with previous regional
21 prosperity initiative grants. Organizations that have successfully
22 received grant awards in previous fiscal years shall be required to
23 make available to the department and on a publicly accessible
24 internet site information regarding the use of those grant dollars.

25 (3) Regional planning organizations eligible to receive a
26 payment as a regional prosperity collaborative under subsection (2)
27 may qualify to receive a 1-time grant of not more than \$75,000.00

1 to produce a plan to transform the regional prosperity
2 collaborative into a regional prosperity council or regional
3 prosperity board, including necessary local formal agreements, to
4 make recommendations that eliminate duplicative efforts and
5 administrative functions, and to leverage resources through
6 cooperation, collaboration, and consolidations of organizations or
7 programs throughout the region. Plans produced to transform the
8 regional prosperity collaborative into a regional prosperity
9 council or regional prosperity board shall be made available on the
10 grant recipient's publicly accessible internet site.

11 (4) Regional planning organizations may qualify to receive not
12 more than \$375,000.00 of incentive-based funding as a regional
13 prosperity council subject to meeting all of the following
14 requirements:

15 (a) A regional prosperity council has been formed and includes
16 regional representatives from adult education, workforce
17 development, community development, economic development,
18 transportation, and higher education organizations.

19 (b) An eligible regional prosperity council will demonstrate
20 shared administrative services between 2 public regional entities
21 included in subdivision (a). In addition, the council must have and
22 maintain an executive governing entity, as demonstrated by a formal
23 local agreement or agreements.

24 (c) The regional prosperity council has created a phase two:
25 regional prosperity plan, as follows:

26 (i) The regional prosperity council shall identify
27 opportunities for shared administrative services and decision-

1 making among the private, public, and nonprofit entities within the
2 region and shall continue collaboration with regional prosperity
3 council members, including, but not limited to, representatives
4 from adult education providers, workforce development agencies,
5 community development agencies, economic development agencies,
6 transportation service providers, and higher education
7 institutions.

8 (ii) The plan is required to include, but is not limited to,
9 all of the following:

10 (A) A status report of the approved 5-year plan.

11 (B) The addition of a 10-year plan for the region which builds
12 upon prior work and is focused on economic growth and vitality in
13 the region.

14 (C) A prioritized list of regional projects.

15 (D) A performance dashboard with measurable annual goals.

16 (iii) The regional prosperity council shall adopt the plan by
17 a minimum 2/3 vote of its members.

18 (d) The regional prosperity council adheres to accountability
19 and transparency measures required in the open meetings act and the
20 freedom of information act.

21 (e) The regional prosperity council convenes monthly meetings,
22 open to the public, to consider and discuss issues leading to a
23 common vision of economic prosperity for the region, including, but
24 not limited to, community development, economic development,
25 talent, and infrastructure opportunities.

26 (f) The regional prosperity council makes available on the
27 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 (g) The regional prosperity council keeps a status report
5 detailing the spending associated with previous regional prosperity
6 initiative grants. Organizations that have successfully received
7 grant awards in previous fiscal years shall be required to make
8 available to the department and on a publicly accessible internet
9 site information regarding the use of those grant dollars.

10 (5) Regional planning organizations eligible to receive a
11 payment as a regional prosperity council under subsection (4) may
12 qualify to receive a 1-time grant of not more than \$75,000.00 to
13 produce a plan to transform the regional prosperity council into a
14 regional prosperity board, including a singular private/public
15 governance structure that comports with federal guidelines for
16 governance under the workforce investment act, Public Law 105-220,
17 the moving ahead for progress in the 21st century act, Public Law
18 112-141, the economic development administration and Appalachian
19 regional development reform act of 1998, Public Law 105-393, and
20 recommendations to eliminate duplicative efforts, administrative
21 functions, and leverage resources through cooperation,
22 collaboration, and consolidations of organizations or programs
23 throughout the region.

24 (6) Regional planning organizations may qualify to receive not
25 more than \$500,000.00 of incentive-based funding as a regional
26 prosperity board subject to meeting all of the following
27 requirements:

1 (a) The regional prosperity board has been formed and, at a
2 minimum, must demonstrate the consolidation of a regional
3 metropolitan planning organization, where one exists, state
4 designated regional planning agency boards, workforce development
5 boards, and federally designated regional economic development
6 districts within a region.

7 (b) The regional prosperity board has created a phase three:
8 regional prosperity plan, as follows:

9 (i) The regional prosperity board shall create a regional
10 services recommendations report prioritizing the list of state-
11 funded services and programs provided to the region, and
12 recommendations for state-regional partnerships to support the
13 adopted regional prosperity plan.

14 (ii) The plan is required to include a status report of the
15 approved 10-year plan for the creation of an updated regional
16 prosperity plan.

17 (iii) The regional prosperity board shall adopt the plan by a
18 minimum 2/3 vote of its members.

19 (c) The regional prosperity board adheres to accountability
20 and transparency measures required in the open meetings act and the
21 freedom of information act.

22 (d) The regional prosperity board convenes monthly meetings,
23 open to the public, to consider and discuss issues leading to a
24 common vision of economic prosperity for the region, including, but
25 not limited to, community development, economic development,
26 talent, and infrastructure opportunities.

27 (e) The regional prosperity board makes available on the grant

1 recipient's publicly accessible internet site pertinent documents,
2 including, but not limited to, monthly meeting agendas, minutes of
3 monthly meetings, voting records, and the regional prosperity plan
4 and performance dashboard.

5 (7) Regional planning organizations eligible to receive a
6 payment as a regional prosperity board under subsection (6) may
7 qualify to receive not more than \$125,000.00, to implement the
8 prioritized regional prosperity plan projects.

9 (8) Regional planning organizations eligible to receive a
10 payment as a regional prosperity collaborative, board, or council
11 may partner with other eligible regional planning organizations to
12 submit joint applications. In the instance of a joint application,
13 1 regional planning organization shall be utilized as the overall
14 applicant. The department may award a joint application award of no
15 greater than the sum of potential application dollars which would
16 have otherwise been available through individual applications.

17 (9) The department shall develop an application process and
18 method of grant distribution for the regional prosperity
19 initiative. Funding applications from regional planning
20 organizations shall be due to the department by December 1, 2016.
21 The department shall notify regional planning organizations of
22 grant application status by January 1, 2017. The department shall
23 ensure that processes are established to verify that qualifying
24 regional planning organizations meet the requirements under
25 subsections (2), (3), (4), (5), (6), and (7), as applicable.

26 (10) Unexpended funds appropriated in part 1 for the regional
27 prosperity initiative are designated as work project

1 appropriations, and any unencumbered or unallotted funds shall not
2 lapse at the end of the fiscal year and shall be available for
3 expenditure for regional prosperity initiative projects under this
4 section until the projects have been completed. The following is in
5 compliance with section 451a of the management and budget act, 1984
6 PA 431, MCL 18.1451a:

7 (a) The purpose of the projects is to provide incentive-based
8 grants to recipients under this section.

9 (b) The projects will be accomplished by grants to qualified
10 regional planning organizations.

11 (c) The total estimated cost of all projects is \$2,500,000.00.

12 (d) The estimated completion date is September 30, 2022.

13 Sec. 822g. The department shall report quarterly to the senate
14 and house of representatives standing committees on appropriations,
15 the senate and house appropriations subcommittees on general
16 government, and the senate and house fiscal agencies on legal
17 service fund expenditures. The report shall itemize expenditures by
18 case, purpose, and department involved and shall include
19 expenditures related to all previously appropriated funds.

20 Sec. 822i. (1) From the funds appropriated in part 1, the
21 department shall assure all of the following:

22 (a) That public schools that are placed in the state school
23 reform/redesign school district or under a chief executive officer
24 under section 1280c of the revised school code, 1976 PA 451, MCL
25 380.1280c, remain in compliance with all applicable state and
26 federal law concerning special education.

27 (b) That students at public schools described in subdivision

1 (a) with individualized education programs are afforded special
2 education services in accordance with applicable state and federal
3 law concerning special education.

4 (2) The department shall report to the legislature on the
5 number of students in public schools described in subsection (1) (a)
6 who have an individualized education program and the performance
7 results of those students after the change in governance of the
8 public school.

9 Sec. 822l. From the funds appropriated in part 1 for the
10 school reform office, the school reform office shall conduct 1
11 public hearing in the school district of priority schools that the
12 school reform office has determined require an intervention
13 authorized by section 1280c(6) or (7) of the revised school code,
14 1976 PA 451, MCL 380.1280c. The school reform office shall give
15 notice to the district prior to the public hearing. The public
16 hearing shall include an outline of the plan for academic
17 improvement of the schools and a projected time frame of the school
18 reform office's involvement with the schools.

19 Sec. 822m. From the funds appropriated in part 1, the
20 department shall establish a system that collaborates with other
21 departments to keep track of the performance of vendors in
22 fulfilling contract obligations. The performance of these vendors
23 shall be recorded and used as a factor to determine future
24 contracts awarded in the procurement process.

25 Sec. 822n. From the funds appropriated in part 1, beginning on
26 October 1, the department shall ensure that all new requests for
27 proposals that are publicly displayed on the webpage include the

1 proposal's corresponding department and agency for the purpose of
2 searching for requests for proposals by department and agency.

3 Sec. 822o. From the funds appropriated in part 1 for the
4 school reform office, the school reform office shall make an effort
5 to coordinate with the department of education to streamline state
6 services and resources, reduce duplication, and increase
7 efficiency.

8 **INFORMATION TECHNOLOGY**

9 Sec. 823. (1) The department may sell and accept paid
10 advertising for placement on any state website under its
11 jurisdiction. The department shall review and approve the content
12 of each advertisement. The department may refuse to accept
13 advertising from any person or organization or require modification
14 to advertisements based upon criteria determined by the department.
15 Revenue received under this subsection shall be used for operating
16 costs of the department and for future technology enhancements to
17 state of Michigan e-government initiatives. Funds received under
18 this subsection shall be limited to \$250,000.00. Any funds in
19 excess of \$250,000.00 shall be deposited in the state general fund.

20 (2) The department may accept gifts, donations, contributions,
21 bequests, and grants of money from any public or private source to
22 assist with the underwriting or sponsorship of state webpages or
23 services offered on those webpages. A private or public funding
24 source may receive recognition in the webpage. The department may
25 reject any gift, donation, contribution, bequest, or grant.

26 (3) Funds accepted by the department under subsection (1) or

(2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given. The department shall provide a report to the senate and house of representatives appropriations subcommittees on general government and senate and house fiscal agencies that details the funds accepted for the prior fiscal year by November 1.

Sec. 824. The department may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget director detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within MAIN, or its successor, pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN, or its successor.

1 Sec. 826. When used in this part and part 1, "information
2 technology services" means services involving all aspects of
3 managing and processing information, including, but not limited to,
4 all of the following:

5 (a) Application and mobile development and maintenance.

6 (b) Desktop computer support and management.

7 (c) Cyber security.

8 (d) Social media.

9 (e) Mainframe computer support and management.

10 (f) Server support and management.

11 (g) Local area network support and management, including, but
12 not limited to, wired and wireless network build-out, support, and
13 management.

14 (h) Information technology project management.

15 (i) Information technology planning and budget management.

16 (j) Telecommunication services, infrastructure, and support.

17 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
18 public safety communications system shall be expended upon approval
19 of an expenditure plan by the state budget director.

20 (2) The department shall assess all subscribers of the
21 Michigan public safety communications system reasonable access and
22 maintenance fees and deposit the fees in the Michigan public safety
23 communications systems fees fund.

24 (3) All money received by the department under this section
25 shall be expended for the support and maintenance of the Michigan
26 public safety communications system.

27 (4) The department shall provide a report to the senate and

1 house of representatives standing committees on appropriations, the
2 chairpersons of the relevant appropriations subcommittees, the
3 senate and house fiscal agencies, and the state budget director on
4 April 15, indicating the amount of revenue collected under this
5 section and expended for support and maintenance of the Michigan
6 public safety communications system for the immediately preceding
7 6-month period. Any deposits made under this section and
8 unencumbered funds are restricted revenues and shall be carried
9 forward into succeeding fiscal years.

10 Sec. 828. The department shall submit a report for the
11 immediately preceding fiscal year ending September 30 to the senate
12 and house of representatives standing committees on appropriations
13 subcommittees on general government and the senate and house fiscal
14 agencies by March 1. The report shall include the following:

15 (a) The total amount of funding appropriated for information
16 technology services and projects, by funding source, for all
17 principal executive departments and agencies.

18 (b) A listing of the expenditures made from the amounts
19 received by the department as reported in subdivision (a).

20 Sec. 829. The department shall provide a report that analyzes
21 and makes recommendations on the life-cycle of information
22 technology hardware and software. The report shall be submitted to
23 the senate and house of representatives standing committees on
24 appropriations subcommittees on general government and the senate
25 and house fiscal agencies by March 1.

26 Sec. 830. By December 31, the department shall provide a
27 report that lists all information technology-related change orders

1 and follow-on contracts, greater than \$50,000.00, whether they are
2 bid, exercise options, or no-bid, and the amount of each change
3 order or contract extension contract entered into by the department
4 to the senate and house of representatives standing committees on
5 appropriations subcommittees on general government, the senate and
6 house fiscal agencies, and the state budget director.

7 Sec. 832. (1) The department shall inform the senate and house
8 appropriations subcommittees on general government and the senate
9 and house fiscal agencies within 30 days of any potential or actual
10 penalties assessed by the federal government for failure of the
11 Michigan child support enforcement system to achieve certification
12 by the federal government.

13 (2) If potential penalties are assessed by the federal
14 government, the department shall submit a report to the senate and
15 house appropriations subcommittees on general government and the
16 senate and house fiscal agencies within 90 days specifying the
17 department's plans to avoid actual penalties and ensure federal
18 certification of the Michigan child support enforcement system.

19 Sec. 833. (1) The state budget director, upon notification to
20 the senate and house of representatives standing committees on
21 appropriations, may adjust spending authorization and user fees in
22 the department in order to ensure that the appropriations for
23 information technology in the department budget equal the
24 appropriations for information technology in the budgets for all
25 executive branch agencies.

26 (2) If during the course of the fiscal year a transfer or
27 supplemental to or from the information technology line item within

1 an agency budget is made under section 393 of the management and
2 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
3 equal amount of user fees in the department budget to accommodate
4 an increase or decrease in spending authorization.

5 Sec. 834. (1) Revenue collected from licenses issued under the
6 antenna site management project shall be deposited into the antenna
7 site management revolving fund created for this purpose in the
8 department. The department may receive and expend money from the
9 fund for costs associated with the antenna site management project,
10 including the cost of a third-party site manager. Any excess
11 revenue remaining in the fund at the close of the fiscal year shall
12 be proportionately transferred to the appropriate state restricted
13 funds as designated in statute or by constitution.

14 (2) An antenna shall not be placed on any site pursuant to
15 this section without complying with the respective local zoning
16 codes and local unit of government processes.

17 Sec. 835. (1) In addition to the funds appropriated in part 1,
18 the funds collected by the department for supplying census-related
19 information and technical services, publications, statistical
20 studies, population projections and estimates, and other
21 demographic products are appropriated for all expenses necessary to
22 provide the required services. These funds are available for
23 expenditure when they are received and may be carried forward into
24 the next succeeding fiscal year.

25 (2) The department must submit a report to the house and
26 senate appropriations subcommittees on general government, the
27 senate and house fiscal agencies, and the state budget director by

1 March 1 that provides the amount of revenue collected by the
2 department from the authorization in subsection (1) and the amount
3 of revenue carried forward.

4 Sec. 836. (1) From the funds appropriated in part 1 for cyber
5 security staffing, hardware, and support costs, the department
6 shall identify specific outcomes and performance measures,
7 including, but not limited to, the following:

8 (a) Reduce the number of cyber threats based on the daily
9 attacks to prevent data breaches during the fiscal year ending
10 September 30, 2018.

11 (b) Reduce the risk of cyber vulnerabilities for application,
12 data, and network during the fiscal year ending September 30, 2018.

13 (c) Increase awareness of cyber threats and the preventative
14 steps for citizens, businesses, and employees during the fiscal
15 year ending September 30, 2018.

16 (2) The department must submit a report to the house and
17 senate appropriations subcommittees on general government, the
18 senate and house fiscal agencies, and the state budget director by
19 March 15. The report must describe the specific outcomes and
20 measures required in subsection (1) and provide the results and
21 data related to these outcomes and measures for the prior fiscal
22 year if related information is available for the prior fiscal year.

23 Sec. 837. (1) From the funds appropriated in part 1 for
24 citizen-centric government, the department shall identify specific
25 outcomes and performance measures, including, but not limited to,
26 the following:

27 (a) Begin integration of MiLogin with at least 10 high-value

1 systems to provide seamless access to those systems with 1 set of
2 credentials during the fiscal year ending September 30, 2018.

3 (b) Increase the number of high-value systems that citizens
4 and businesses can log into with 1 login during the fiscal year
5 ending September 30, 2018.

6 (2) The department must submit a report to the house and
7 senate appropriations subcommittees on general government, the
8 senate and house fiscal agencies, and the state budget director by
9 March 15. The report must describe the specific outcomes and
10 measures required in subsection (1) and provide the results and
11 data related to these outcomes and measures.

12 Sec. 838. (1) From the funds appropriated in part 1 for budget
13 and financial management, \$300,000.00 shall be used for a pilot
14 program with a vendor to provide comprehensive information on the
15 vendors with which this state does business. This pilot program
16 must commence by November 1, 2017. The selected vendor must
17 maintain a business data repository to provide information on all
18 vendor financials, industry, products, operations, and competition.
19 The department must review this information prior to, during, and
20 after entering into any contract or other agreement and for
21 compliance oversight. The pilot program must be available for use
22 by all state departments, agencies, and local units of government.

23 (2) The selected vendor must gather and provide metrics on all
24 of the following:

25 (a) A comprehensive database of commercial business
26 information.

27 (b) Whether a vendor has been identified as fiscally at-risk.

1 (c) Whether a vendor has been identified as having ethics,
2 labor, or corruption issues that may affect its ability to do
3 business with this state.

4 (d) Economic trends in this state, including identifying
5 business growth areas.

6 (e) The performance of healthcare providers indicted for or
7 convicted of fraud along with a performance risk score and
8 cumulative percentage of at-risk providers.

9 (f) Vendor buying activity as an indicator of vendor
10 viability.

11 (3) The department shall notify the chairpersons of the
12 appropriations subcommittees on general government, senate and
13 house fiscal agencies, and state budget director once a vendor has
14 been selected.

15 **STATE BUILDING AUTHORITY RENT**

16 Sec. 842. (1) The state building authority rent appropriations
17 in part 1 may also be expended for the payment of required premiums
18 for insurance on facilities owned by the state building authority
19 or payment of costs that may be incurred as the result of any
20 deductible provisions in such insurance policies.

21 (2) If the amount appropriated in part 1 for state building
22 authority rent is not sufficient to pay the rent obligations and
23 insurance premiums and deductibles identified in subsection (1) for
24 state building authority projects, there is appropriated from the
25 general fund of the state the amount necessary to pay such
26 obligations.

1 **CIVIL SERVICE COMMISSION**

2 Sec. 850. (1) In accordance with section 5 of article XI of
3 the state constitution of 1963, all restricted funds shall be
4 assessed a sum not less than 1% of the total aggregate payroll paid
5 from those funds for financing the civil service commission on the
6 basis of actual 1% restricted sources total aggregate payroll of
7 the classified service for the preceding fiscal year. This
8 includes, but is not limited to, restricted funds appropriated in
9 part 1 of any appropriations act. Unexpended 1% appropriated funds
10 shall be returned to each 1% fund source at the end of the fiscal
11 year.

12 (2) The appropriations in part 1 are estimates of actual
13 charges based on payroll appropriations. With the approval of the
14 state budget director, the commission is authorized to adjust
15 financing sources for civil service charges based on actual payroll
16 expenditures, provided that such adjustments do not increase the
17 total appropriation for the civil service commission.

18 (3) The financing from restricted sources shall be credited to
19 the civil service commission by the end of the second fiscal
20 quarter.

21 Sec. 851. Except where specifically appropriated for this
22 purpose, financing from restricted sources shall be credited to the
23 civil service commission. For restricted sources of funding within
24 the general fund that have the legislative authority for carryover,
25 if current spending authorization or revenues are insufficient to
26 accept the charge, the shortage shall be taken from carryforward
27 balances of that funding source. Restricted revenue sources that do

1 not have carryforward authority shall be utilized to satisfy
2 commission operating deducts first and civil service obligations
3 second. General fund dollars are appropriated for any shortfall,
4 pursuant to approval by the state budget director.

5 Sec. 852. The appropriation in part 1 to the civil service
6 commission, for state-sponsored group insurance, flexible spending
7 accounts, and COBRA, represents amounts, in part, included within
8 the various appropriations throughout state government for the
9 current fiscal year to fund the flexible spending account program
10 included within the civil service commission. Deposits against
11 state-sponsored group insurance, flexible spending accounts, and
12 COBRA for the flexible spending account program shall be made from
13 assessments levied during the current fiscal year in a manner
14 prescribed by the civil service commission. Unspent employee
15 contributions to the flexible spending accounts may be used to
16 offset administrative costs for the flexible spending account
17 program, with any remaining balance of unspent employee
18 contributions to be lapsed to the general fund.

19 **CAPITAL OUTLAY**

20 Sec. 860. As used in sections 861 through 867:

21 (a) "Board" means the state administrative board.

22 (b) "Community college" means a community college organized
23 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
24 389.195, or under part 25 of the revised school code, 1976 PA 451,
25 MCL 380.1601 to 380.1607, and does not include a state agency or
26 university.

1 (c) "Department" means the department of technology,
2 management, and budget.

3 (d) "Director" means the director of the department of
4 technology, management, and budget.

5 (e) "Fiscal agencies" means the senate fiscal agency and the
6 house fiscal agency.

7 (f) "State agency" means an agency of state government. State
8 agency does not include a community college or university.

9 (g) "State building authority" means the authority created
10 under 1964 PA 183, MCL 830.411 to 830.425.

11 (h) "University" means a 4-year university supported by the
12 state. University does not include a community college or a state
13 agency.

14 Sec. 861. Each capital outlay project authorized in this part
15 and part 1 or any previous capital outlay act shall comply with the
16 procedures required by the management and budget act, 1984 PA 431,
17 MCL 18.1101 to 18.1594.

18 Sec. 862. (1) The department shall provide the JCOS, state
19 budget director, and the senate and house fiscal agencies with
20 reports as considered necessary relative to the status of each
21 planning or construction project financed by the state building
22 authority, by this part and part 1, or by previous acts.

23 (2) Before the end of each fiscal year, the department shall
24 report to the JCOS, state budget director, and the senate and house
25 fiscal agencies for each capital outlay project other than lump
26 sums all of the following:

27 (a) The account number and name of each construction project.

1 (b) The balance remaining in each account.

2 (c) The date of the last expenditure from the account.

3 (d) The anticipated date of occupancy if the project is under
4 construction.

5 (e) The appropriations history for the project.

6 (f) The professional service contractor.

7 (g) The amount of the project financed with federal funds.

8 (h) The amount of the project financed through the state
9 building authority.

10 (i) The total authorized cost for the project and the state
11 authorized share if different than the total.

12 (3) Before the end of each fiscal year, the department shall
13 report the following for each project by a state agency,
14 university, or community college that is authorized for planning
15 but is not yet authorized for construction:

16 (a) The name of the project and account number.

17 (b) Whether a program statement is approved.

18 (c) Whether schematics are approved by the department.

19 (d) Whether preliminary plans are approved by the department.

20 (e) The name of the professional service contractor.

21 (4) As used in this section, "project" includes appropriation
22 line items made for purchase of real estate.

23 Sec. 864. The appropriations in part 1 for capital outlay
24 shall be carried forward at the end of the fiscal year consistent
25 with the provisions of section 248 of the management and budget
26 act, 1984 PA 431, MCL 18.1248.

27 Sec. 865. (1) A site preparation economic development fund is

1 created in the department. As used in this section, "economic
2 development sites" means those state-owned sites declared as
3 surplus property pursuant to section 251 of the management and
4 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
5 benefit to the area or to the state. The MEDC board and the state
6 budget director shall determine whether or not a specific state-
7 owned site qualifies for inclusion in the fund created under this
8 subsection.

9 (2) Proceeds from the sale of any sites designated in
10 subsection (1) shall be deposited into the fund created in
11 subsection (1) and shall be available for site preparation
12 expenditures, unless otherwise provided by law. The economic
13 development sites authorized in subsection (1) are authorized for
14 sale consistent with state law. Expenditures from the fund are
15 authorized for site preparation activities that enhance the
16 marketable sale value of the sites. Site preparation activities
17 include, but are not limited to, demolition, environmental studies
18 and abatement, utility enhancement, and site excavation.

19 (3) A cash advance in an amount of not more than
20 \$25,000,000.00 is authorized from the general fund to the site
21 preparation economic development fund.

22 (4) An annual report shall be transmitted to the senate and
23 house of representatives standing committees on appropriations not
24 later than December 31 of each year. This report shall detail both
25 of the following:

26 (a) The revenue and expenditure activity in the fund for the
27 preceding fiscal year.

(b) The sites identified as economic development sites under subsection (1).

Sec. 867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the \$7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and \$7,000,000.00 shall be appropriated by the legislature to the department.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to

1 the board the release of any appropriation in part 1 only after the
2 director is assured that the legal entity operating the community
3 college to which the appropriation is made has complied with this
4 part and part 1 and has matched the amounts appropriated as
5 required by this part and part 1. A release of funds in part 1
6 shall not exceed 50% of the total cost of planning and construction
7 of any project, not including lump-sum remodeling and additions and
8 special maintenance, unless otherwise appropriated by the
9 legislature. Further planning and construction of a project
10 authorized by this part and part 1 or applicable sections of the
11 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
12 shall be in accordance with the purpose and scope as defined and
13 delineated in the approved program statements and planning
14 documents. This part and part 1 are applicable to all projects for
15 which planning appropriations were made in previous acts.

16 (4) The community college shall take the steps necessary to
17 secure available federal construction and equipment money for
18 projects funded for construction in this part and part 1 if an
19 application was not previously made. If there is a reasonable
20 expectation that a prior year unfunded application may receive
21 federal money in a subsequent year, the college shall take whatever
22 action necessary to keep the application active.

23 Sec. 874. If university and community college matching
24 revenues are received in an amount less than the appropriations for
25 capital projects contained in this part and part 1, the state funds
26 shall be reduced in proportion to the amount of matching revenue
27 received.

1 Sec. 875. (1) The director may require that community colleges
2 and universities that have an authorized project listed in part 1
3 submit documentation regarding the project match and governing
4 board approval of the authorized project not more than 60 days
5 after the beginning of the fiscal year.

6 (2) If the documentation required by the director under
7 subsection (1) is not submitted, or does not adequately
8 authenticate the availability of the project match or board
9 approval of the authorized project, the authorization may
10 terminate. The authorization terminates 30 days after the director
11 notifies the JCOS of the intent to terminate the project unless the
12 JCOS convenes to extend the authorization.

13 **ONE-TIME APPROPRIATIONS**

14 Sec. 880. (1) The drinking water declaration of emergency
15 reserve fund is created within the department of treasury.

16 (2) From the funds appropriated in part 1 for the drinking
17 water declaration of emergency reserve fund, \$25,000,000.00 shall
18 be deposited into the drinking water declaration of emergency
19 reserve fund.

20 (3) Funds may only be spent from the drinking water
21 declaration of emergency reserve fund upon appropriation, or
22 legislative transfer pursuant to section 393 of the management and
23 budget act, 1984 PA 431, MCL 18.1393.

24 (4) Interest and earnings from the investment of funds
25 deposited in the drinking water declaration of emergency reserve
26 fund shall be deposited in the general fund.

(5) Funds in the drinking water declaration of emergency reserve fund at the close of a fiscal year shall remain in the drinking water declaration of emergency reserve fund and shall not lapse to the general fund.

DEPARTMENT OF TREASURY

OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000.00 for private

1 contingency funds. These funds are not available for expenditure
2 until they have been transferred to another line item in part 1
3 under section 393(2) of the management and budget act, 1984 PA 431,
4 MCL 18.1393.

5 Sec. 902. (1) Amounts needed to pay for interest, fees,
6 principal, mandatory and optional redemptions, arbitrage rebates as
7 required by federal law, and costs associated with the payment,
8 registration, trustee services, credit enhancements, and issuing
9 costs in excess of the amount appropriated to the department of
10 treasury in part 1 for debt service on notes and bonds that are
11 issued by the state under sections 14, 15, and 16 of article IX of
12 the state constitution of 1963 as implemented by 1967 PA 266, MCL
13 17.451 to 17.455, are appropriated.

14 (2) In addition to the amount appropriated to the department
15 of treasury for debt service in part 1, there is appropriated an
16 amount for fiscal year cash-flow borrowing costs to pay for
17 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
18 12.53.

19 (3) In addition to the amount appropriated to the department
20 of treasury for debt service in part 1, there is appropriated all
21 repayments received by the state on loans made from the school bond
22 loan fund not required to be deposited in the school loan revolving
23 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
24 the extent determined by the state treasurer, for the payment of
25 debt service, including, without limitation, optional and mandatory
26 redemptions, on bonds, notes or commercial paper issued by the
27 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

1 Sec. 902a. The department of treasury shall notify the senate
2 and house of representatives standing committees on appropriations,
3 the chairpersons of the relevant appropriations subcommittees, the
4 senate and house fiscal agencies, and the state budget office not
5 more than 30 days after a refunding or restructuring bond issue is
6 sold. The notification shall compare the annual debt service prior
7 to the refinancing or restructuring, the annual debt service after
8 the refinancing or restructuring, the change in the principal and
9 interest over the duration of the debt, and the projected change in
10 the present value of the debt service due to the refinancing and
11 restructuring.

12 Sec. 903. (1) From the funds appropriated in part 1, the
13 department of treasury may contract with private collection
14 agencies and law firms to collect taxes and other accounts due this
15 state. In addition to the amounts appropriated in part 1 to the
16 department of treasury, there are appropriated amounts necessary to
17 fund collection costs and fees not to exceed 25% of the collections
18 or 2.5% plus operating costs, whichever amount is prescribed by
19 each contract. The appropriation to fund collection costs and fees
20 for the collection of taxes or other accounts due this state are
21 from the fund or account to which the revenues being collected are
22 recorded or dedicated. However, if the taxes collected are
23 constitutionally dedicated for a specific purpose, the
24 appropriation of collection costs and fees are from the general
25 purpose account of the general fund.

26 (2) From the funds appropriated in part 1, the department of
27 treasury may contract with private collections agencies and law

1 firms to collect defaulted student loans and other accounts due the
2 Michigan guaranty agency. In addition to the amounts appropriated
3 in part 1 to the department of treasury, there are appropriated
4 amounts necessary to fund collection costs and fees not to exceed
5 24.34% of the collection or a lesser amount as prescribed by the
6 contract. The appropriation to fund collection costs and fees for
7 the auditing and collection of defaulted student loans due the
8 Michigan guaranty agency is from the fund or account to which the
9 revenues being collected are recorded or dedicated.

10 (3) The department of treasury shall submit a report for the
11 immediately preceding fiscal year ending September 30 to the state
12 budget director, the senate and house of representatives standing
13 committees on appropriations, and the chairpersons of the relevant
14 appropriations subcommittees, not later than November 30 stating
15 the agencies or law firms employed, the amount of collections for
16 each, the costs of collection, and other pertinent information
17 relating to determining whether this authority should be continued.

18 (4) From the funds appropriated in part 1 for collection
19 services, the department of treasury shall issue an RFP for a
20 secondary placement collections program. The secondary placement
21 collections program shall begin by January 2, 2018. The department
22 shall issue a request for competitive proposals from service
23 providers interested in providing secondary placement collection
24 services. The competitive proposal for secondary placement services
25 shall meet all of the following requirements:

26 (a) Be issued no later than October 2, 2017 with responses due
27 by November 6, 2017.

1 (b) Require delinquent accounts at least 180 days old to be
2 referred to the secondary placement service.

3 (c) Provide information to the department of treasury
4 necessary to evaluate the performance of the program.

5 (d) Demonstrate that the vendor has the ability to interface
6 its technology systems with the existing technology framework of
7 the department of treasury.

8 (e) Not require a physical presence of the vendor in the
9 state.

10 Sec. 904. (1) The department of treasury, through its bureau
11 of investments, may charge an investment service fee against the
12 applicable retirement funds. The fees may be expended for necessary
13 salaries, wages, contractual services, supplies, materials,
14 equipment, travel, worker's compensation insurance premiums, and
15 grants to the civil service commission and state employees'
16 retirement funds. Service fees shall not exceed the aggregate
17 amount appropriated in part 1. The department of treasury shall
18 maintain accounting records in sufficient detail to enable the
19 retirement funds to be reimbursed periodically for fee revenue that
20 is determined by the department of treasury to be surplus.

21 (2) In addition to the funds appropriated in part 1 from the
22 retirement funds to the department of treasury, there is
23 appropriated from retirement funds an amount sufficient to pay for
24 the services of money managers, investment advisors, investment
25 consultants, custodians, and other outside professionals, the state
26 treasurer considers necessary to prudently manage the retirement
27 funds' investment portfolios. The state treasurer shall report

1 annually to the senate and house of representatives standing
2 committees on appropriations, the chairpersons of the relevant
3 appropriations subcommittees, and the state budget office
4 concerning the performance of each portfolio by investment advisor.

5 Sec. 904a. (1) There is appropriated an amount sufficient to
6 recognize and pay expenditures for financial services provided by
7 financial institutions as provided under section 1 of 1861 PA 111,
8 MCL 21.181.

9 (2) The appropriations under subsection (1) shall be funded by
10 restricting revenues from common cash interest earnings and
11 investment earnings in an amount sufficient to record these
12 expenditures. If the amounts of common cash interest earnings are
13 insufficient to cover these costs, then miscellaneous revenues
14 shall be used to fund the remaining balance of these expenditures.

15 Sec. 905. A revolving fund known as the municipal finance fee
16 fund is created in the department of treasury. Fees are established
17 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
18 to 141.2821, and the fees collected shall be credited to the
19 municipal finance fee fund and may be carried forward for future
20 appropriation.

21 Sec. 906. (1) The department of treasury shall charge for
22 audits as permitted by state or federal law or under contractual
23 arrangements with local units of government, other principal
24 executive departments, or state agencies. However, the charge shall
25 not be more than the actual cost for performing the audit. A report
26 detailing audits performed and audit charges for the immediately
27 preceding fiscal year shall be submitted to the state budget

1 director, the chairpersons of the relevant appropriations
2 subcommittees, and the senate and house fiscal agencies not later
3 than November 30.

4 (2) A revolving fund known as the audit charges fund is
5 created in the department of treasury. The contractual charges
6 collected shall be credited to the audit charges fund and may be
7 carried forward for future appropriation.

8 Sec. 907. A revolving fund known as the assessor certification
9 and training fund is created in the department of treasury. The
10 assessor certification and training fund shall be used to organize
11 and operate a property assessor certification and training program.
12 Each participant certified and trained shall pay to the department
13 of treasury examination fees not to exceed \$50.00 per examination
14 and certification fees not to exceed \$175.00. Training courses
15 shall be offered in assessment administration. Each participant
16 shall pay a fee to cover the expenses incurred in offering the
17 optional programs to certified assessing personnel and other
18 individuals interested in an assessment career opportunity. The
19 fees collected shall be credited to the assessor certification and
20 training fund.

21 Sec. 908. The amount appropriated in part 1 to the department
22 of treasury, home heating assistance program, is to cover the
23 costs, including data processing, of administering federal home
24 heating credits to eligible claimants and to administer the
25 supplemental fuel cost payment program for eligible tax credit and
26 welfare recipients.

27 Sec. 909. Revenue from the airport parking tax act, 1987 PA

1 248, MCL 207.371 to 207.383, is appropriated and shall be
2 distributed under section 7a of the airport parking tax act, 1987
3 PA 248, MCL 207.377a.

4 Sec. 910. The disbursement by the department of treasury from
5 the bottle deposit fund to dealers as required by section 3c(2) of
6 1976 IL 1, MCL 445.573c, is appropriated.

7 Sec. 911. There is appropriated an amount sufficient to
8 recognize and pay refundable income tax credits as provided by law.

9 Sec. 912. A plaintiff in a garnishment action involving this
10 state shall pay to the state treasurer 1 of the following:

11 (a) A fee of \$6.00 at the time a writ of garnishment of
12 periodic payments is served upon the state treasurer, as provided
13 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
14 MCL 600.4012.

15 (b) A fee of \$6.00 at the time any other writ of garnishment
16 is served upon the state treasurer, except that the fee shall be
17 reduced to \$5.00 for each writ of garnishment for individual income
18 tax refunds or credits filed by magnetic media.

19 Sec. 913. (1) The department of treasury may contract with
20 private firms to appraise and, if necessary, appeal the assessments
21 of senior citizen cooperative housing units. Payment for this
22 service shall be from savings resulting from the appraisal or
23 appeal process.

24 (2) Of the funds appropriated in part 1 to the department of
25 treasury for the senior citizens' cooperative housing tax exemption
26 program, a portion may be utilized for a program audit of the
27 program. The department of treasury shall forward copies of any

1 audit report completed to the senate and house of representatives
2 standing committees on appropriations subcommittees on general
3 government and to the state budget office. The department of
4 treasury may utilize up to 1% of the funds for program
5 administration and auditing.

6 Sec. 914. The department of treasury may provide a \$200.00
7 annual prize from the Ehlers internship award account in the gifts,
8 bequests, and deposit fund to the runner-up of the Rosenthal prize
9 for interns. The Ehlers internship award account is interest
10 bearing.

11 Sec. 915. Pursuant to section 61 of the Michigan campaign
12 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
13 the general fund to the state campaign fund an amount equal to the
14 amounts designated for tax year 2016. Except as otherwise provided
15 in this section, the amount appropriated shall not revert to the
16 general fund and shall remain in the state campaign fund. Any
17 amounts remaining in the state campaign fund in excess of
18 \$10,000,000.00 on December 31 shall revert to the general fund.

19 Sec. 916. The department of treasury may make available to
20 interested entities otherwise unavailable customized unclaimed
21 property listings of nonconfidential information in its possession.
22 The charge for this information is as follows: 1 to 100,000 records
23 at 2.5 cents per record and 100,001 or more records at .5 cents per
24 record. The revenue received from this service shall be deposited
25 to the appropriate revenue account or fund. The department shall
26 submit an annual report on or before June 1 to the state budget
27 director and the senate and house of representatives standing

1 committees on appropriations that states the amount of revenue
2 received from the sale of information.

3 Sec. 917. (1) There is appropriated for write-offs and
4 advances an amount equal to total write-offs and advances for
5 departmental programs, but not to exceed current year
6 authorizations that would otherwise lapse to the general fund.

7 (2) The department of treasury shall submit a report for the
8 immediately preceding fiscal year to the state budget director, the
9 chairpersons of the relevant appropriations subcommittees, and the
10 senate and house fiscal agencies not later than November 30 stating
11 the amounts appropriated for write-offs and advances under
12 subsection (1).

13 Sec. 919. (1) From funds appropriated in part 1, the
14 department of treasury may contract with private auditing firms to
15 audit for and collect unclaimed property due this state in
16 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
17 567.221 to 567.265. In addition to the amounts appropriated in part
18 1 to the department of treasury, there are appropriated amounts
19 necessary to fund auditing and collection costs and fees not to
20 exceed 12% of the collections, or a lesser amount as prescribed by
21 the contract. The appropriation to fund collection costs and fees
22 for the auditing and collection of unclaimed property due this
23 state is from the fund or account to which the revenues being
24 collected are recorded or dedicated.

25 (2) The department of treasury shall submit a report for the
26 immediately preceding fiscal year ending September 30 to the state
27 budget director, the senate and house of representatives standing

1 committees on appropriations, and the chairpersons of the relevant
2 appropriations subcommittees not later than November 30 stating the
3 auditing firms employed, the amount of collections for each, the
4 costs of collection, and other pertinent information relating to
5 determining whether this authority should be continued.

6 Sec. 924. (1) In addition to the funds appropriated in part 1,
7 the department of treasury may receive and expend principal
8 residence audit fund revenue for administration of principal
9 residence audits under the general property tax act, 1893 PA 206,
10 MCL 211.1 to 211.155.

11 (2) The department of treasury shall submit a report for the
12 immediately preceding fiscal year to the state budget director, the
13 chairpersons of the relevant appropriations subcommittees, and the
14 senate and house fiscal agencies not later than December 31 stating
15 the amount of exemptions denied and the revenue received under the
16 program.

17 Sec. 926. Unexpended appropriations of the John R. Justice
18 grant program are designated as work project appropriations and
19 shall not lapse at the end of the fiscal year and shall continue to
20 be available for expenditure until the project has been completed.
21 The following is in compliance with section 451a of the management
22 and budget act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the project is to provide student loan
24 forgiveness to qualified public defenders and prosecutors.

25 (b) The project will be accomplished by utilizing state
26 employees or contracts with private vendors, or both.

27 (c) The total estimated cost of the project is \$288,100.00.

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

2 Sec. 927. The department of treasury shall submit annual
3 progress reports to the senate and house of representatives
4 standing committees on appropriations subcommittees on general
5 government and the senate and house fiscal agencies, regarding
6 personal property tax audits. The report shall include the number
7 of audits, revenue generated, and number of complaints received by
8 the department related to the audits.

9 Sec. 928. The department of treasury may provide receipt,
10 warrant and cash processing, data, collection, investment, fiscal
11 agent, levy and warrant cost assessment, writ of garnishment, and
12 other user services on a contractual basis for other principal
13 executive departments and state agencies. Funds for the services
14 provided are appropriated and shall be expended for salaries and
15 wages, fees, supplies, and equipment necessary to provide the
16 services. Any unobligated balance of the funds received shall
17 revert to the general fund of this state as of September 30.

18 Sec. 930. (1) The department of treasury shall provide
19 accounts receivable collections services to other principal
20 executive departments and state agencies under 1927 PA 375, MCL
21 14.131 to 14.134. The department of treasury shall deduct a fee
22 equal to the cost of collections from all receipts except
23 unrestricted general fund collections. Fees shall be credited to a
24 restricted revenue account and appropriated to the department of
25 treasury to pay for the cost of collections. The department of
26 treasury shall maintain accounting records in sufficient detail to
27 enable the respective accounts to be reimbursed periodically for

1 fees deducted that are determined by the department of treasury to
2 be surplus to the actual cost of collections.

3 (2) The department of treasury shall submit a report for the
4 immediately preceding fiscal year to the state budget director, the
5 chairpersons of the relevant appropriations subcommittees, and the
6 senate and house fiscal agencies not later than November 30 stating
7 the principal executive departments and state agencies served,
8 funds collected, and costs of collection under subsection (1).

9 Sec. 931. (1) The appropriation in part 1 to the department of
10 treasury for treasury fees shall be assessed against all restricted
11 funds that receive common cash earnings or other investment income.
12 Treasury fees include all costs, including administrative overhead,
13 relating to the investment of each restricted fund. The fee
14 assessed against each restricted fund will be based on the size of
15 the restricted fund (the absolute value of the average daily cash
16 balance plus the market value of investments in the prior fiscal
17 year) and the level of effort necessary to maintain the restricted
18 fund as required by each department. The department of treasury
19 shall provide a report to the state budget director, the senate and
20 house of representatives standing committees on appropriations
21 subcommittees on general government, and the senate and house
22 fiscal agencies by November 30 of each year identifying the fees
23 assessed against each restricted fund and the methodology used for
24 assessment.

25 (2) In addition to the funds appropriated in part 1, the
26 department of treasury may receive and expend investment fees
27 relating to new restricted funding sources that participate in

1 common cash earnings or other investment income during the current
2 fiscal year. When a new restricted fund is created starting on or
3 after October 1, that restricted fund shall be assessed a fee using
4 the same criteria identified in subsection (1).

5 Sec. 932. Revenue received under the Michigan education trust
6 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
7 board of directors of the Michigan education trust for necessary
8 salaries, wages, supplies, contractual services, equipment,
9 worker's compensation insurance premiums, and grants to the civil
10 service commission and state employees' retirement fund.

11 Sec. 934. (1) The department of treasury may expend revenues
12 received under the hospital finance authority act, 1969 PA 38, MCL
13 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
14 141.1051 to 141.1076, the higher education facilities authority
15 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
16 educational facilities authority, Executive Reorganization Order
17 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
18 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
19 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
20 the natural resources and environmental protection act, 1994 PA
21 451, MCL 324.50501 to 324.50522, the state housing development
22 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
23 the Michigan finance authority, Executive Reorganization Order No.
24 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
25 contractual services, equipment, worker's compensation insurance
26 premiums, grants to the civil service commission and state
27 employees' retirement fund, and other expenses as allowed under

1 those acts.

2 (2) The department of treasury shall report by January 31 to
3 the senate and house appropriations subcommittees on general
4 government, the senate and house fiscal agencies, and the state
5 budget director on the amount and purpose of expenditures made
6 under subsection (1) from funds received in addition to those
7 appropriated in part 1. The report shall also include a listing of
8 reimbursement of revenue, if any. The report shall cover the
9 previous fiscal year.

10 Sec. 935. The funds appropriated in part 1 for dual enrollment
11 payments for an eligible student enrolled in a state-approved
12 nonpublic school shall be distributed as provided under the
13 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
14 388.524, and the career and technical preparation act, 2000 PA 258,
15 MCL 388.1901 to 388.1913, in a form and manner as determined by the
16 department of treasury.

17 Sec. 937. From the funds appropriated in part 1, the
18 department of treasury shall submit a report to the state budget
19 director, the senate and house standing committees on
20 appropriations, the chairpersons of the relevant appropriations
21 subcommittees, and the senate and house fiscal agencies not later
22 than March 31 regarding the performance of the Michigan accounts
23 receivable collections system. The report shall include, but is not
24 limited to:

25 (a) Information regarding the effectiveness of the
26 department's current collection strategies, including use of
27 vendors or contractors.

1 (b) The amount of delinquent accounts and collection referrals
2 to vendors and contractors.

3 (c) The liquidation rates for declining delinquent accounts.

4 (d) The profile of uncollected delinquent accounts, including
5 specific uncollected amounts by category.

6 (e) The department's strategy to manage delinquent accounts
7 once those accounts exceed the vendor's or contractor's contracted
8 collectible period.

9 (f) A summary of the strategies used in other states,
10 including, but not limited to, secondary placement services, and
11 assessing the benefits of those strategies.

12 Sec. 941. (1) The department of treasury, in conjunction with
13 the Michigan strategic fund, shall report to the senate and house
14 of representatives standing committees on appropriations, the
15 senate and house of representatives appropriations subcommittees on
16 general government, the senate and house fiscal agencies, and the
17 state budget office by November 1 on the annual cost of the
18 Michigan economic growth authority tax credits. The report shall
19 include for each year the board-approved credit amount, adjusted
20 for credit amendments where applicable, and the actual and
21 projected value of tax credits for each year from 1995 to the
22 expiration of the credit program. For years for which credit claims
23 are complete, the report shall include the total of actual
24 certificated credit amounts. For years for which claims are still
25 pending or not yet submitted, the report shall include a
26 combination of actual credits where available and projected
27 credits. Credit projections shall be based on updated estimates of

1 employees, wages, and benefits for eligible companies.

2 (2) In addition to the report under subsection (1), the
3 department of treasury, in conjunction with the Michigan strategic
4 fund, shall report to the senate and house of representatives
5 standing committees on appropriations, the senate and house of
6 representatives appropriations subcommittees on general government,
7 the senate and house fiscal agencies, and the state budget office
8 by November 1 on the annual cost of all other certificated credits
9 by program, for each year until the credits expire or can no longer
10 be collected. The report shall include estimates on the brownfield
11 redevelopment credit, film credits, MEGA photovoltaic technology
12 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
13 vehicle battery credit, and other certificated credits.

14 Sec. 944. If the department of treasury hires a pension plan
15 consultant using any of the funds appropriated in part 1, the
16 department shall retain any report provided to the department by
17 that consultant, notify the senate and house of representatives
18 appropriations subcommittees on general government, the senate and
19 house fiscal agencies, and the state budget director, and shall
20 make that report available upon request to the senate and house of
21 representatives standing committees on appropriations subcommittees
22 on general government, the senate and house fiscal agencies, and
23 the state budget director. A rationale for retention of a pension
24 plan consultant shall be included in the notification of retention.

25 Sec. 945. Reviews of local unit assessment administration
26 practices, procedures, and records, also known as the audit of
27 minimal assessing requirements, shall be conducted in each

1 assessment jurisdiction a minimum of once every 5 years.

2 Sec. 946. Revenue collected in the convention facility
3 development fund is appropriated and shall be distributed under
4 sections 8 and 9 of the state convention facility development act,
5 1985 PA 106, MCL 207.628 and 207.629.

6 Sec. 947. Financial independence teams shall cooperate with
7 the financial responsibility section to coordinate and streamline
8 efforts in identifying and addressing fiscal emergencies in school
9 districts and intermediate school districts.

10 Sec. 948. Total authorized appropriations from all department
11 of treasury sources under part 1 for legacy costs for the fiscal
12 year ending September 30, 2018 are \$43,024,600.00. From this
13 amount, total agency appropriations for pension-related legacy
14 costs are estimated at \$22,140,700.00. Total agency appropriations
15 for retiree health care legacy costs are estimated at
16 \$20,883,900.00.

17 Sec. 949. (1) From the funds appropriated in part 1, the
18 department of treasury may contract with private agencies to
19 prevent the disbursement of fraudulent tax refunds. In addition to
20 the amounts appropriated in part 1 to the department of treasury,
21 there are appropriated amounts necessary to pay contract costs or
22 fund operations designed to reduce fraudulent income tax refund
23 payments not to exceed \$1,200,000.00 of the refunds identified as
24 potentially fraudulent and for which payment of the refund is
25 denied. The appropriation to fund fraud prevention efforts is from
26 the fund or account to which the revenues being collected are
27 recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for additional staff in city income tax administration, the department shall expand individual income tax return administration to 1 additional city to leverage the department's capabilities to assist cities with their taxation efforts.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) The department must submit a report to the house and senate appropriations subcommittees on general government, the

senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949g. From the one-time funds appropriated in part 1 for urban search and rescue task force, \$500,000.00 shall be expended to support the urban search and rescue task force. In distributing funds under this section, the department of treasury shall require the task force to provide to the department the following information:

(a) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed to the task force under section 949g of article VIII of 2016 PA 268 discretely presented.

(b) Detail on the proposed expenditure of the funds

distributed under this section.

(c) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed under this section discretely presented.

Sec. 949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and distributed pursuant to part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments pursuant to section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

REVENUE SHARING

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities,

1 villages, and townships such that, subject to fulfilling the
2 requirements under subsection (3), each city, village, or township
3 is eligible to receive 100% of its eligible payment under section
4 952 of article VIII of 2016 PA 268. For purposes of this
5 subsection, any city, village, or township that completely merges
6 with another city, village, or township will be treated as a single
7 entity, such that when determining the eligible payment under
8 section 952 of article VIII of 2016 PA 268 for the combined single
9 entity, the amount each of the merging local units was eligible to
10 receive under section 952 of article VIII of 2016 PA 268 is summed.
11 For purposes of this subsection, population is determined in the
12 same manner as under section 3 of the Glenn Steil state revenue
13 sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any
14 city or village that according to the 2010 federal decennial census
15 is determined to have population in more than 1 county shall be
16 treated as a single entity when determining the eligible payment
17 under section 952 of article VIII of 2016 PA 268.

18 (2) The funds appropriated in part 1 for the county incentive
19 program are to be used for grants to counties such that each county
20 is eligible to receive an amount equal to 20% of the amount by
21 which the balance in its revenue sharing reserve fund under section
22 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
23 the county's most recent fiscal year that ends prior to the January
24 1 of the state's fiscal year is less than the amount calculated
25 under section 44a(14) of the general property tax act, 1893 PA 206,
26 MCL 211.44a, for the county fiscal year that begins in the state's
27 fiscal year. The amount calculated under this subsection shall be

1 adjusted as necessary to reflect partial county fiscal years and
2 prorated based on the total amount appropriated for distribution to
3 all eligible counties. Except as otherwise provided under this
4 subsection, payments under this subsection will be distributed to
5 an eligible county subject to the county's fulfilling the
6 requirements under subsection (3).

7 (3) For purposes of accountability and transparency, each
8 eligible city, village, township, or county shall certify by
9 December 1, or the first day of a payment month, that it has
10 produced a citizen's guide of its most recent local finances,
11 including a recognition of its unfunded liabilities; a performance
12 dashboard; a debt service report containing a detailed listing of
13 its debt service requirements, including, at a minimum, the
14 issuance date, issuance amount, type of debt instrument, a listing
15 of all revenues pledged to finance debt service by debt instrument,
16 and a listing of the annual payment amounts until maturity; and a
17 projected budget report, including, at a minimum, the current
18 fiscal year and a projection for the immediately following fiscal
19 year. The projected budget report shall include revenues and
20 expenditures and an explanation of the assumptions used for the
21 projections. Each eligible city, village, township, or county shall
22 include in any mailing of general information to its citizens the
23 internet website address location for its citizen's guide,
24 performance dashboard, debt service report, and projected budget
25 report or the physical location where these documents are available
26 for public viewing in the city, village, township, or county
27 clerk's office. Each city, village, township, and county applying

1 for a payment under this subsection shall submit a copy of the
2 performance dashboard, a copy of the debt service report, and a
3 copy of the projected budget report to the department of treasury.
4 In addition, each eligible city, village, township, or county
5 applying for a payment under this subsection shall either submit a
6 copy of the citizen's guide or certify that the city, village,
7 township, or county will be utilizing treasury's online citizen's
8 guide. The department of treasury shall develop detailed guidance
9 for a city, village, township, or county to follow to meet the
10 requirements of this subsection. The detailed guidance shall be
11 posted on the department of treasury website and distributed to
12 cities, villages, townships, and counties by October 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 submit
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

distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, and townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 100.976% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the county is eligible under section 952(2). The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, and townships shall be granted by the 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 must use the grants under this section
10 to make payments to reduce unfunded accrued liability; to repair or
11 replace critical infrastructure and equipment owned or maintained
12 by the city, village, or township; to reduce debt obligations; or
13 for costs associated with a transition to shared services with
14 another jurisdiction. The department of treasury shall award no
15 more than \$2,000,000.00 to any city, village, or township under
16 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 \$4,999,900.00.

11 (d) The tentative completion date is September 30, 2022.

12 Sec. 957. (1) From the 1-time funds appropriated in part 1 for
13 supplemental revenue sharing, a city, village, or township eligible
14 for a payment under section 952 shall receive a payment equal to
15 the population of the city, village, or township multiplied by
16 1.62396, rounded to the nearest dollar. For purposes of this
17 section, population is determined in the same manner as under
18 section 3 of the Glenn Steil state revenue sharing act of 1971,
19 1971 PA 140, MCL 141.903. In addition, any city or village that
20 according to the 2010 federal decennial census is determined to
21 have population in more than 1 county shall be treated as a single
22 entity when determining the payment received under this section.

23 (2) Cities, villages, and townships eligible to receive a
24 payment under subsection (1) shall receive 1/6 of their eligible
25 payment on the last business day of October, December, February,
26 April, June, and August.

27 **BUREAU OF STATE LOTTERY**

1 Sec. 960. In addition to the funds appropriated in part 1 to
2 the bureau of state lottery, there is appropriated from state
3 lottery fund revenues the amount necessary for, and directly
4 related to, implementing and operating lottery games under the
5 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
6 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
7 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
8 expenditures for contractually mandated payments for vendor
9 commissions, contractually mandated payments for instant tickets
10 intended for resale, the contractual costs of providing and
11 maintaining the online system communications network, and incentive
12 and bonus payments to lottery retailers.

13 Sec. 963. The bureau of state lottery shall inform all lottery
14 retailers that the cash side of MDHHS bridge cards cannot be used
15 to purchase lottery tickets.

16 Sec. 964. For the bureau of state lottery, there is
17 appropriated 1% of the lottery's prior fiscal year's gross sales or
18 \$25,000,000.00, whichever is less, for promotion and advertising.

19 **CASINO GAMING**

20 Sec. 971. From the revenue collected by the Michigan gaming
21 control board regarding the total annual assessment of each casino
22 licensee, \$2,000,000.00 is appropriated and shall be deposited in
23 the compulsive gaming prevention fund as described in section
24 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
25 MCL 432.212a.

26 Sec. 973. (1) Funds appropriated in part 1 for local
27 government programs may be used to provide assistance to a local

1 revenue sharing board referenced in an agreement authorized by the
2 Indian gaming regulatory act, Public Law 100-497.

3 (2) A local revenue sharing board described in subsection (1)
4 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
5 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
6 to 15.246.

7 (3) A county treasurer is authorized to receive and administer
8 funds received for and on behalf of a local revenue sharing board.
9 Funds appropriated in part 1 for local government programs may be
10 used to audit local revenue sharing board funds held by a county
11 treasurer. This section does not limit the ability of local units
12 of government to enter into agreements with federally recognized
13 Indian tribes to provide financial assistance to local units of
14 government or to jointly provide public services.

15 (4) A local revenue sharing board described in subsection (1)
16 shall comply with all applicable provisions of any agreement
17 authorized by the Indian gaming regulatory act, Public Law 100-497,
18 in which the local revenue sharing board is referenced, including,
19 but not limited to, the disbursement of tribal casino payments
20 received under applicable provisions of the tribal-state class III
21 gaming compact in which those funds are received.

22 (5) The director of the department of state police and the
23 executive director of the Michigan gaming control board are
24 authorized to assist the local revenue sharing boards in
25 determining allocations to be made to local public safety
26 organizations.

27 (6) The Michigan gaming control board shall submit a report by

1 September 30 to the senate and house of representatives standing
2 committees on appropriations and the state budget director on the
3 receipts and distribution of revenues by local revenue sharing
4 boards.

5 Sec. 974. If revenues collected in the state services fee fund
6 are less than the amounts appropriated from the fund, available
7 revenues shall be used to fully fund the appropriation in part 1
8 for casino gaming regulation activities before distributions are
9 made to other state departments and agencies. If the remaining
10 revenue in the fund is insufficient to fully fund appropriations to
11 other state departments or agencies, the shortfall shall be
12 distributed proportionally among those departments and agencies.

13 Sec. 976. The executive director of the Michigan gaming
14 control board may pay rewards of not more than \$5,000.00 to a
15 person who provides information that results in the arrest and
16 conviction on a felony or misdemeanor charge for a crime that
17 involves the horse racing industry. A reward paid pursuant to this
18 section shall be paid out of the appropriation in part 1 for the
19 racing commission.

20 Sec. 977. All appropriations from the Michigan agriculture
21 equine industry development fund, except for the racing commission
22 and laboratory analysis program appropriations, shall be reduced
23 proportionately if revenues to the Michigan agriculture equine
24 industry development fund decline during the fiscal year ending
25 September 30, 2018 to a level lower than the amount appropriated in
26 part 1.

27 Sec. 978. The Michigan gaming control board shall use actual

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

24 Sec. 979. In addition to the funds appropriated in part 1, the
25 Michigan gaming control board may receive and expend state lottery
26 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
27 expenses incurred in the licensing and regulation of millionaire

1 parties pursuant to Executive Order No. 2012-4. In accordance with
2 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
3 382, MCL 432.108, the amount of necessary expenses shall not exceed
4 the amount of revenue received under that act. The Michigan gaming
5 control board shall provide a report to the senate and house of
6 representatives appropriations subcommittees on general government,
7 the senate and house fiscal agencies, and the state budget office
8 by April 15. The report shall include, but not be limited to, total
9 expenditures related to the licensing and regulating of millionaire
10 parties, steps taken to ensure charities are receiving revenue due
11 to them, progress on promulgating rules to ensure compliance with
12 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
13 to 432.120, and any enforcement actions taken.

14 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

15 Sec. 980. (1) In addition to the funds appropriated in part 1,
16 there is appropriated an amount not to exceed \$30,000,000.00 for
17 federal contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

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

13 Sec. 981. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the fiscal year ending September
15 30, 2018 are \$32,357,000.00. From this amount, total agency
16 appropriations for pension-related legacy costs are estimated at
17 \$16,651,100.00. Total agency appropriations for retiree health care
18 legacy costs are estimated at \$15,705,900.00.

19 Sec. 982. Federal pass-through funds to local institutions and
20 governments that are received in amounts in addition to those
21 included in part 1 and that do not require additional state
22 matching funds are appropriated for the purposes intended. The
23 department may carry forward into the succeeding fiscal year
24 unexpended federal pass-through funds to local institutions and
25 governments that do not require additional state matching funds.
26 The department shall report the amount and source of the funds to
27 the senate and house appropriation subcommittees on general

1 government, the senate and house fiscal agencies, and the state
2 budget office within 10 business days after receiving any
3 additional pass-through funds.

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 April 10.

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.

20 Sec. 1008. As a condition of receiving funds under part 1, any
21 interlocal agreement entered into by the fund shall include
22 language which states that if a local unit of government has a
23 contract or memorandum of understanding with a private economic
24 development agency, the MEDC will work cooperatively with that
25 private organization in that local area.

26 Sec. 1009. (1) Of the funds appropriated to the fund or
27 through grants to the MEDC, no funds shall be expended for the

1 purchase of options on land or the purchase of land unless at least
2 1 of the following conditions applies:

3 (a) The land is located in an economically distressed area.

4 (b) The land is obtained through a purchase or exercise of an
5 option at the invitation of the local unit of government and local
6 economic development agency.

7 (2) Consideration may be given to purchases where the proposed
8 use of the land is consistent with a regional land use plan, will
9 result in the redevelopment of an economically distressed area, can
10 be supported by existing infrastructure, and will not cause shifts
11 in population away from the area's population centers.

12 (3) As used in this section, "economically distressed area"
13 means an area in a city, village, or township that has been
14 designated as blighted; a city, village, or township that shows
15 negative population change from 1970 and a poverty rate and
16 unemployment rate greater than the statewide average; or an area
17 certified as a neighborhood enterprise zone under the neighborhood
18 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

19 (4) The fund shall provide a report 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 that provides a list of all properties purchased, all options on
23 land purchased, the location of the land purchased, and the
24 purchase price. The report must be submitted before April 10.

25 Sec. 1010. As a condition for receiving funds in part 1, not
26 later than April 10, the fund shall provide a report for the
27 immediately preceding fiscal year on the jobs for Michigan

1 investment fund, created in section 88h of the Michigan strategic
2 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
3 to the chairpersons of the senate and house of representatives
4 standing committees on appropriations, the chairpersons of the
5 senate and house of representatives standing committees on
6 appropriations subcommittees on general government, the senate and
7 house fiscal agencies, and the state budget office. The report
8 shall include, but is not limited to, all of the following:

9 (a) A detailed listing of revenues, by fund source, to the
10 jobs for Michigan investment fund. The listing shall include the
11 manner and reason for which the funds were appropriated to the jobs
12 for Michigan investment fund.

13 (b) A detailed listing of expenditures, by project, from the
14 jobs for Michigan investment fund.

15 (c) A fiscal year-end balance of the jobs for Michigan
16 investment fund.

17 Sec. 1011. (1) From the appropriations in part 1 to the fund
18 and granted or transferred to the MEDC, any unexpended or
19 unencumbered balance shall be disposed of in accordance with the
20 requirements in the management and budget act, 1984 PA 431, MCL
21 18.1101 to 18.1594, unless carryforward authorization has been
22 otherwise provided for.

23 (2) Any encumbered funds shall be used for the same purposes
24 for which funding was originally appropriated in this part and part
25 1.

26 Sec. 1012. (1) As a condition of receiving funds under part 1,
27 the fund shall ensure that the MEDC and the fund comply with all of

1 the following:

2 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
3 15.246.

4 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

5 (c) Annual audits of all financial records by the auditor
6 general or his or her designee.

7 (d) All reports required by law to be submitted to the
8 legislature.

9 (2) If the MEDC is unable for any reason to perform duties
10 under this part, the fund may exercise those duties.

11 Sec. 1013. As a condition for receiving the appropriations in
12 part 1, any staff of the MEDC involved in private fund-raising
13 activities shall not be party to any decisions regarding the
14 awarding of grants, incentives, or tax abatements from the fund,
15 the MEDC, or the Michigan economic growth authority.

16 Sec. 1024. From the funds appropriated in part 1 for business
17 attraction and community revitalization, not less than
18 \$20,000,000.00 shall be granted by the fund board for brownfield
19 redevelopment and historic preservation projects under the
20 community revitalization program authorized by chapter 8C of the
21 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
22 125.2090d.

23 Sec. 1032. (1) The department shall report to the relevant
24 subcommittees, the state budget director, and the fiscal agencies
25 on the status of the film incentives at the same time as it submits
26 the annual report required under section 455 of the Michigan
27 business tax act, 2007 PA 36, MCL 208.1455. The department of

1 treasury shall provide the department of talent and economic
2 development with the data necessary to prepare the report.
3 Incentives included in the report shall include all of the
4 following:

5 (a) The tax credit provided under section 455 of the Michigan
6 business tax act, 2007 PA 36, MCL 208.1455.

7 (b) The tax credit provided under section 457 of the Michigan
8 business tax act, 2007 PA 36, MCL 208.1457.

9 (c) The tax credit provided under section 459 of the Michigan
10 business tax act, 2007 PA 36, MCL 208.1459.

11 (d) The amount of any tax credit claimed under former section
12 367 of the income tax act of 1967, 1967 PA 281.

13 (e) Any tax credits provided for film and digital media
14 production under the Michigan economic growth authority act, 1995
15 PA 24, MCL 207.801 to 207.810.

16 (f) Loans to an eligible production company or film and
17 digital media private equity fund authorized under section 88d(3),
18 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
19 125.2088d.

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

21 (a) For each tax credit, the number of contracts signed, the
22 projected expenditures qualifying for the credit, and the estimated
23 value of the credits. For loans, the number of loans made under
24 each section, the interest rate of those loans, the loan amount,
25 the percent of the projected budget of each production financed by
26 those loans, and the estimated interest earnings from the loan.

27 (b) For credits authorized under section 455 of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1455, for productions
2 completed by December 31, the expenditures of each production
3 eligible for the credit that has filed a request for certificate of
4 completion with the film office, broken down into expenditures for
5 goods, services, or salaries and wages and showing separately
6 expenditures in each local unit of government, including
7 expenditures for personnel, whether or not they were made to a
8 Michigan entity, and whether or not they were taxable under the
9 laws of this state. For loans, the report shall include the number
10 of loans that have been fully repaid, with principal and interest
11 shown separately, and the number of loans that are delinquent or in
12 default, and the amount of principal that is delinquent or is in
13 default.

14 (c) For each of the tax credit incentives and loan incentives
15 listed in subsection (1), a breakdown for each project or
16 production showing each of the following:

- 17 (i) The number of temporary jobs created.
18 (ii) The number of permanent jobs created.
19 (iii) The number of persons employed in Michigan as a result
20 of the incentive, on a full-time equated basis.

21 (3) For any information not included in the report due to the
22 provisions of section 455(6), 457(6), or 459(6) of the Michigan
23 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
24 the report shall do all of the following:

25 (a) Indicate how the information would describe the commercial
26 and financial operations or intellectual property of the company.

27 (b) Attest that the information has not been publicly

1 disseminated at any time.

2 (c) Describe how disclosure of the information may put the
3 company at a competitive disadvantage.

4 (4) Any information not disclosed due to the provisions of
5 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
6 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
7 presented at the lowest level of aggregation that would no longer
8 describe the commercial and financial operations or intellectual
9 property of the company.

10 Sec. 1033. As a condition of receiving funds in part 1, not
11 later than March 15, the department of talent and economic
12 development shall provide a report on the activities of the
13 Michigan film and digital media office for the immediately
14 preceding fiscal year. The report shall be submitted to the
15 chairpersons of the senate and house of representatives
16 subcommittees on general government, the senate and house fiscal
17 agencies, and the state budget office. The report shall include,
18 but not be limited to, a listing of all projects the Michigan film
19 and digital media office provided assistance on, a listing of the
20 services provided for each project, and an estimate of investment
21 leveraged.

22 Sec. 1034. Each business incubator or accelerator that
23 received an award from the fund shall maintain and update a
24 dashboard of indicators to measure the effectiveness of the
25 business incubator and accelerator programs. Indicators shall
26 include the direct jobs created, new companies launched as a direct
27 result of business incubator or accelerator involvement, businesses

1 expanded as a direct result of business incubator or accelerator
2 involvement, direct investment in client companies, private equity
3 financing obtained by client companies, grant funding obtained by
4 client companies, and other measures developed by the recipient
5 business incubators and accelerators in conjunction with the MEDC.
6 Dashboard indicators shall be reported for the prior fiscal year
7 and cumulatively, if available. Each recipient shall submit a copy
8 of their dashboard indicators to the fund by March 1. The fund
9 shall transmit the local reports to the senate and house of
10 representatives appropriations subcommittees on general government,
11 the senate and house fiscal agencies, and the state budget office
12 by March 15.

13 Sec. 1035. (1) From the appropriation in part 1, the Michigan
14 council for arts and cultural affairs shall administer an arts and
15 cultural grant program that maintains an equitable geographic
16 distribution of funding and utilizes past arts and cultural grant
17 programs as a guideline for administering this program. The council
18 shall do all of the following:

19 (a) On or before October 1, the fund shall publish proposed
20 application criteria, instructions, and forms for use by eligible
21 applicants. The fund shall provide at least a 2-week period for
22 public comment before finalizing the application criteria,
23 instructions, and forms.

24 (b) A nonrefundable application fee may be assessed for each
25 application. Application fees shall be deposited in the council for
26 the arts fund and are appropriated for expenses necessary to
27 administer the programs. These funds are available for expenditure

1 when they are received and may be carried forward to the following
2 fiscal year.

3 (c) Grants are to be made to public and private arts and
4 cultural entities.

5 (d) Within 1 business day after the award announcements, the
6 council shall provide to each member of the legislature and the
7 fiscal agencies a list of all grant recipients and the total award
8 given to each recipient, sorted by county.

9 (e) In addition to the information in subdivision (d), the
10 council shall report on the number of applications received, number
11 of grants awarded, total amount requested from applications
12 received, and total amount of grants awarded.

13 (2) The appropriation in part 1 for arts and cultural program
14 shall not be used for the administration of the grant program.

15 Sec. 1036. (1) The general fund/general purpose funds
16 appropriated in part 1 to the fund for business attraction and
17 community revitalization shall be transferred to the 21st century
18 jobs trust fund per section 90b(3) of the Michigan strategic fund
19 act, 1984 PA 270, MCL 125.2090b.

20 (2) Funds transferred to the 21st century jobs trust fund
21 under subsection (1) are appropriated and available for allocation
22 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
23 125.2001 to 125.2094.

24 Sec. 1038. (1) From the funds appropriated in part 1, the
25 department shall work with Michigan State University to gather
26 information and create an annual progress report on the
27 construction of the Facility for Rare Isotope Beams. The report

1 shall include, but is not limited to, the following information:

2 (a) If construction is ahead of the scheduled timeline made
3 with the United States Department of Energy at the end of the
4 previous fiscal year and the number of weeks.

5 (b) If the cost of construction is under or over the amount
6 projected for the previous fiscal year and the amount.

7 (c) The number of Michigan companies that have been contracted
8 for the project, the total amount of those contracts, and number of
9 permanent and temporary employees employed in the previous fiscal
10 year.

11 (2) The department shall report to the state budget director,
12 appropriations subcommittees, senate and house appropriation
13 subcommittees on general government, and senate and house fiscal
14 agencies by March 15. If information is not provided by Michigan
15 State University by March 15, the department shall provide notice
16 of steps taken to get the required information and when it will be
17 available.

18 Sec. 1040. As a condition of receiving funds in part 1, the
19 department of talent and economic development shall utilize MAIN,
20 or a successor MDTMB-administered administrative information system
21 used across state government, as an appropriation and expenditure
22 reporting system to track all financial transactions with
23 individual vendors, contractual partners, grantees, recipients of
24 business incentives, and recipients of other economic assistance.
25 Encumbrances and expenditures shall be reported in a timely manner.

26 Sec. 1041. From the funds appropriated in part 1 for business
27 attraction and community revitalization, the fund shall request the

1 transfer by the state treasurer of not more than 50% of the funds
2 prior to April 1.

3 Sec. 1042. For the funds appropriated in part 1 for business
4 attraction and community revitalization, the fund shall report
5 quarterly on the amount of funds considered appropriated, pre-
6 encumbered, encumbered, and expended. The report shall also include
7 a listing of all previous appropriations for business attraction
8 and community revitalization, or a predecessor, that were
9 considered appropriated, pre-encumbered, encumbered, or expended
10 that have lapsed back to the fund for any purpose. The report shall
11 be submitted to the chairpersons of the senate and house of
12 representatives standing committees on appropriations, the
13 chairpersons of the senate and house of representatives standing
14 committees on appropriations subcommittees on general government,
15 the senate and house fiscal agencies, and the state budget office.

16 Sec. 1043. (1) The fund, in conjunction with the department of
17 treasury, shall report to the senate and house of representatives
18 appropriations subcommittees on general government, the senate and
19 house fiscal agencies, and the state budget office by November 1 on
20 the annual cost of the Michigan economic growth authority tax
21 credits. The report shall include for each year the board-approved
22 credit amount, adjusted for credit amendments where applicable, and
23 the actual and projected value of tax credits for each year from
24 1995 to the expiration of the credit program. For years for which
25 credit claims are complete, the report shall include the total of
26 actual certificated credit amounts. For years for which claims are
27 still pending or not yet submitted, the report shall include a

1 combination of actual credits where available and projected
2 credits. Credit projections shall be based on updated estimates of
3 employees, wages, and benefits for eligible companies.

4 (2) In addition to the report under subsection (1), the fund,
5 in conjunction with the department of treasury, shall report to the
6 senate and house of representatives appropriations subcommittees on
7 general government, the senate and house fiscal agencies, and the
8 state budget office by November 1 on the annual cost of all other
9 certificated credits by program, for each year until the credits
10 expire or can no longer be collected. The report shall include
11 estimates on the brownfield redevelopment credit, film credits,
12 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
13 manufacturing credit, MEGA vehicle battery credit, and other
14 certificated credits.

15 Sec. 1044. As a condition of receiving funds in part 1, the
16 fund and the MEDC are prohibited from awarding or transferring tax
17 credits to an owner of a facility with operations that include
18 carbon steel melting, casting, hot and cold rolling, and finishing
19 located in the city of Dearborn prior to the passage of legislation
20 authorizing the award or transfer of tax credits.

21 Sec. 1050. (1) From the funds appropriated in part 1 for
22 business attraction and community revitalization, the department
23 shall identify specific outcomes and performance measures,
24 including, but not limited to, the following:

25 (a) Total verified jobs created during the fiscal year ending
26 September 30, 2018.

27 (b) Total private investment obtained during the fiscal year

1 ending September 30, 2018.

2 (c) Amount of private and public square footage created and
3 reactivated during the fiscal year ending September 30, 2018.

4 (2) The department must submit a report to the house and
5 senate appropriations subcommittees on general government, the
6 senate and house fiscal agencies, and the state budget director by
7 March 15. The report must describe the specific outcomes and
8 measures required in subsection (1) and provide the results and
9 data related to these outcomes and measures for the prior fiscal
10 year if related information is available for the prior fiscal year.

11 Sec. 1054. (1) For the funds appropriated in part 1 for
12 protect and grow, the department shall identify specific outcomes
13 and performance measures, including, but not limited to, the
14 following:

15 (a) Funding commitments made by federal and private sources
16 during the fiscal year ending September 30, 2018.

17 (b) Dollar amount invested, by location, in Michigan defense
18 infrastructure during the fiscal year ending September 30, 2018.

19 (2) The department must submit a report to the house and
20 senate appropriations subcommittees on general government, the
21 senate and house fiscal agencies, and the state budget director by
22 March 15. The report must describe the specific outcomes and
23 measures required in subsection (1) and provide the results and
24 data related to these outcomes and measures for the prior fiscal
25 year if related information is available for the prior fiscal year.

26 **TALENT INVESTMENT AGENCY**

27 Sec. 1060. The talent investment agency shall administer the

1 PATH training program in accordance with the requirements of
2 section 407(d) of title IV of the social security act, 42 USC 607,
3 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
4 and all other applicable laws and regulations.

5 Sec. 1061. From the funds appropriated in part 1 for workforce
6 programs subgrantees, the talent investment agency may allocate
7 funding for grants to nonprofit organizations that offer programs
8 pursuant to the workforce investment act of 1998, Public Law 105-
9 220, or the workforce innovation and opportunity act, 29 USC 3101
10 to 3361, eligible youth focusing on apprenticeship readiness, pre-
11 apprenticeship and apprenticeship activities, entrepreneurship,
12 work-readiness skills, job shadowing, and financial literacy.
13 Organizations eligible for funding under this section must have the
14 capacity to provide similar programs in urban areas, as determined
15 by the United States Bureau of the Census according to the most
16 recent federal decennial census. Additionally, programs eligible
17 for funding under this section must include the participation of
18 local business partners. The talent investment agency shall develop
19 other appropriate eligibility requirements to ensure compliance
20 with applicable federal rules and regulations.

21 Sec. 1062. The talent investment agency shall make available,
22 in person or by telephone, 1 disabled veterans outreach program
23 specialist or local veterans employment representative to Michigan
24 Works! service centers, as resources permit, during hours of
25 operation, and shall continue to make the appropriate placement of
26 veterans and disabled veterans a priority.

27 Sec. 1063. (1) In addition to the funds appropriated in part

1 1, any unencumbered and unrestricted federal workforce investment
2 act of 1998, Public Law 105-220, workforce innovation and
3 opportunity act, 29 USC 3101 to 3361, or trade adjustment
4 assistance funds available from prior fiscal years are appropriated
5 for the purposes originally intended.

6 (2) The talent investment agency shall report by February 15
7 to the subcommittees, the fiscal agencies, and the state budget
8 office on the amount by fiscal year of federal workforce investment
9 act of 1998, Public Law 105-220, and workforce innovation and
10 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
11 section.

12 Sec. 1065. The talent investment agency shall publish data and
13 reports quarterly on the agency website concerning the status of
14 career technology and Going Pro funded in part 1. The report shall
15 include the following:

16 (a) The number of awardees participating in the program and
17 the names of those awardees organized by major industry group.

18 (b) The amount of funding received by each awardee under the
19 program.

20 (c) Amount of funding leveraged from each awardee or other
21 funding source for each awardee project.

22 (d) Training models established by each awardee.

23 (e) The number of individuals enrolled in a skilled trades
24 training program by awardee.

25 (f) The number of individuals who completed the program and
26 were hired by awardee.

27 (g) The number of applications received and the number of

1 applications approved for each region.

2 (h) The talent investment agency shall expand workforce
3 training and reemployment services to better connect workers to in-
4 demand jobs and identify specific outcomes with performance metrics
5 for this initiative, including, but not limited to, new
6 apprenticeships, jobs created, jobs retained, training completed,
7 and employment retention rate at 6 months, and hourly wage at 6
8 months.

9 Sec. 1066. As a condition of receiving funds in part 1 for
10 Going Pro, the talent investment agency shall administer the
11 program as follows:

12 (a) The talent investment agency shall work cooperatively with
13 grantees to maximize the amount of funds from part 1 that are
14 available for direct training.

15 (b) The talent investment agency, workforce development
16 partners, including regional Michigan Works! agencies, and
17 employers shall collaborate and work cooperatively to prioritize
18 and streamline the expenditure of the funds appropriated in part 1.
19 The talent investment agency shall ensure that Going Pro provides a
20 collaborative statewide network of workforce and employee skill
21 development partners that addresses the employee talent needs
22 throughout the state.

23 (c) The talent investment agency shall ensure that grants are
24 utilized for individual skill enhancement and to address in-demand
25 talent needs in Michigan.

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 Going Pro may be expended for the purpose of
16 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. 1069. From the funds appropriated in part 1 for Going
5 Pro, an amount not to exceed \$79,000.00 must be awarded to an
6 eligible Michigan-approved 501(c)(3) organization for the purposes
7 of teaching or training restaurant management and culinary arts for
8 career and professional development. The talent investment agency
9 shall oversee funds distributed to an eligible grantee under this
10 section. As used in this section, "eligible Michigan-approved
11 501(c)(3) organization" means an organization that is exempt from
12 taxation under section 501(c)(3) of the internal revenue code of
13 1986, 26 USC 501, that provides the prostart curriculum and
14 training to state-approved career and technical education programs
15 with classification of instructional programs (CIP) codes in the
16 12.05xx category, and that administers national certification for
17 the purpose of restaurant management and culinary arts, for career
18 and professional development.

19 Sec. 1070. (1) From the funds appropriated in part 1 for Going
20 Pro, \$1,000,000.00 must be awarded for a pilot program to assist
21 adults over the age of 23 in obtaining high school diplomas and
22 placement in career training programs.

23 (2) For purposes of this section, an eligible program provider
24 may be a public, nonprofit, or private accredited diploma-granting
25 institution, but must have at least 2 years of experience providing
26 dropout recovery services in the state of Michigan.

27 (3) The department of talent and economic development shall

1 issue a request for qualifications for eligible program providers
2 to participate in the pilot program. To be considered a qualified
3 program provider, the institution must possess all of the
4 following:

5 (a) Experience providing dropout reengagement services.
6 (b) Ability to provide academic intake assessments.
7 (c) Capacity to provide an integrated learning plan.
8 (d) Course catalog that includes access to all graduation
9 requirements.

10 (e) Capability to provide remediation coursework.
11 (f) Means to provide academic resilience assessment and
12 intervention.

13 (g) Capacity to provide employability skills development.
14 (h) Ability to provide WorkKeys preparation.
15 (i) Ability to provide industry credentials.
16 (j) Capability to provide credit for on-the-job training.
17 (k) Access to a robust support framework, including
18 technology, social support, and academic support accredited by a
19 recognized accrediting body.

20 (3) The department shall announce qualified program providers
21 no later than January 1, 2018. Qualified program providers must
22 start providing programming by February 1, 2018.

23 (4) The department of talent and economic development shall
24 reimburse qualified program providers for each month of
25 satisfactory monthly progress as described in section 23a of the
26 state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of
27 \$500.00 per month. A payment shall be made to a qualified program

1 provider for the completion of the following by a pupil:

2 (a) \$500.00 for the completion of an employability skills
3 certification program equal to at least 1 Carnegie unit.

4 (b) \$250.00 for the attainment of an industry-recognized
5 credential requiring up to 50 hours of training.

6 (c) \$500.00 for the attainment of an industry-recognized
7 credential requiring 50 to 100 hours of training.

8 (d) \$750.00 for the attainment of an industry-recognized
9 credential requiring more than 100 hours of training.

10 (e) \$1,000.00 for attainment of a high school diploma.

11 (f) \$2,500.00 for placement in a job in an in-demand career
12 pathway.

13 (5) The department of talent and economic development shall
14 develop policies and guidelines to implement this section.

15 Sec. 1071. From the funds appropriated in part 1 for Going
16 Pro, \$2,500,000.00 must be awarded to an existing dropout
17 prevention and recovery program for youth. The funds must support a
18 program that helps Michigan youth who are at risk of dropping out
19 of high school, or who have already dropped out, to graduate and
20 make successful transitions to postsecondary education or
21 employment.

22 Sec. 1076. The unemployment insurance agency shall provide the
23 senate and house appropriations subcommittees on general
24 government, senate and house fiscal agencies, and the state budget
25 office with quarterly status reports on the implementation of and
26 improvements to the agency's integrated system project. The
27 quarterly status reports shall include, but not be limited to, a

1 summary of the expenditures for the project, a summary of the tasks
2 completed, and a summary of the tasks anticipated to be completed
3 in the subsequent quarter.

4 Sec. 1077. The talent investment agency shall report quarterly
5 to the members of the house and senate committees on
6 appropriations, the chairpersons of the relevant appropriations
7 subcommittees, the senate and house fiscal agencies, and the state
8 budget director on the percentage of unemployment claimants that
9 meet the certification requirements for receiving benefits by using
10 the internet Michigan web account manager system or any application
11 developed for that purpose. The talent investment agency shall
12 implement improvements to the internet Michigan web account manager
13 system that promote greater ease of access and security with a goal
14 of reaching 75% of users certifying by using the internet Michigan
15 web account manager system or another system that reduces staff
16 face time and Michigan automated response voice interactive network
17 telephone system usage.

18 Sec. 1078. (1) From the funds appropriated in part 1 for the
19 unemployment insurance agency, the talent investment agency shall
20 maintain customer service standards for employers and claimants
21 making use of the various means by which they can access the
22 system.

23 (2) The talent investment agency shall identify specific
24 outcomes and performance metrics for this initiative, including,
25 but not limited to, the following:

26 (a) Unemployment benefit fund balance.

27 (b) Process improvement - fiscal integrity.

1 (c) Process improvement - determination timeliness.

2 (d) Process improvement - determination quality.

3 Sec. 1079. (1) The talent investment agency shall extend the
4 interagency agreement with the department of health and human
5 services for the duration of the current fiscal year, which
6 concerns TANF funding to provide job readiness and welfare-to-work
7 programming. The interagency agreement shall include specific
8 outcome and performance reporting requirements as described in this
9 section. TANF funding provided to the talent investment agency in
10 the current fiscal year is contingent on compliance with the data
11 and reporting requirements described in this section. The
12 interagency agreement shall require the talent investment agency to
13 provide all of the following items for the previous year to the
14 senate and house appropriations committees by January 1 of the
15 current fiscal year:

16 (a) An itemized spending report on TANF funding, including all
17 of the following:

18 (i) Direct services to clients.

19 (ii) Administrative expenditures.

20 (b) The number of family independence program clients served
21 through the TANF funding, including all of the following:

22 (i) The number and percentage who obtained employment through
23 Michigan Works!.

24 (ii) The number and percentage who fulfilled their TANF work
25 requirement through other job readiness programming.

26 (iii) Average TANF spending per client.

27 (iv) The number and percentage of clients who were referred to

1 Michigan Works! but did not receive a job or job readiness
2 placement and the reasons why.

3 (2) Not later than March 15 of the current fiscal year, the
4 department shall provide to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, and the senate and house policy offices an annual report
7 on the following matters itemized by Michigan Works! agency: the
8 number of referrals to Michigan Works! job readiness programs, the
9 number of referrals to Michigan Works! job readiness programs who
10 became a participant in the Michigan Works! job readiness programs,
11 the number of participants who obtained employment, and the cost
12 per participant case.

13 Sec. 1080. (1) From the funds appropriated in part 1 for
14 community ventures, the department of talent and economic
15 development may expend not more than \$2,000,000.00 of the funds as
16 matching funds upon the commitment of matching dollars from private
17 sources. For every \$1.00 the department of talent and economic
18 development elects to receive from a private source for the
19 purposes of a community ventures program match, the department of
20 talent and economic development shall expend \$1.00 from the
21 appropriation in part 1 up to \$2,000,000.00. Funds received from
22 private sources for a community ventures program match are
23 appropriated upon receipt and shall be expended for the purposes of
24 the community ventures program.

25 (2) The department shall identify specific outcomes and
26 performance measures for this initiative, including, but not
27 limited to, the following:

1 (a) The number of commitments from private sources, including
2 the dollar amount committed and source.

3 (b) Additional participants served with challenge funds.

4 (c) Jobs created and the average wage.

5 Sec. 1081. (1) The department shall provide a status update on
6 the statewide system for data integration that established new
7 information technology systems to integrate data for talent and
8 pipeline development to track and report workforce development
9 activities and provide for sustained and expanded longitudinal data
10 analysis between state departments.

11 (2) The department shall provide a report for the current and
12 prior fiscal years on specific outcomes and performance metrics for
13 this initiative, including, but not limited to, the following:

14 (a) Job placements and retention at 6 months.

15 (b) Apprenticeships completed.

16 (c) Average wage.

17 Sec. 1082. As a condition of receiving funds in part 1, the
18 department shall provide a status update on the usage of the funds
19 appropriated for the sustainable employment pilot program in 2016
20 PA 268 and 2016 PA 340. The status update shall include, but not be
21 limited to, all of the following:

22 (a) A description of the sustainable employment initiatives
23 supported with the funds appropriated, including the location of
24 the initiatives.

25 (b) Number of individuals participating in the program
26 supported with the funds appropriated.

27 (c) A listing of performance measures the department uses to

1 measure program effectiveness.

2 (d) Specific outcomes related to the performance measures
3 developed by the department.

4 Sec. 1084. (1) From the funds appropriated in part 1 for Going
5 Pro, the department shall identify specific outcomes and
6 performance measures, including, but not limited to, all of the
7 following:

8 (a) Number of job training grants awarded to employers during
9 the fiscal year ending September 30, 2018.

10 (b) Number of individuals enrolled in and completing training
11 during the fiscal year ending September 30, 2018.

12 (c) Number of new jobs and apprenticeships created during the
13 fiscal year ending September 30, 2018.

14 (2) The department must submit a report to the house and
15 senate appropriations subcommittees on general government, the
16 senate and house fiscal agencies, and the state budget director by
17 March 15. The report must describe the specific outcomes and
18 measures required in subsection (1) and provide the results and
19 data related to these outcomes and measures for the prior fiscal
20 year if related information is available for the prior fiscal year.

21 **STATE BUILDING AUTHORITY**

22 Sec. 1100. (1) Subject to section 242 of the management and
23 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
24 state building authority, the department of treasury may expend
25 from the general fund of the state during the fiscal year an amount
26 to meet the cash flow requirements of those state building

1 authority projects solely for lease to a state agency identified in
2 both part 1 and this section, and for which state building
3 authority bonds or notes have not been issued, and for the sole
4 acquisition by the state building authority of equipment and
5 furnishings for lease to a state agency as permitted by 1964 PA
6 183, MCL 830.411 to 830.425, for which the issuance of bonds or
7 notes is authorized by a legislative appropriation act that is
8 effective for the immediately preceding fiscal year. Any general
9 fund advances for which state building authority bonds have not
10 been issued shall bear an interest cost to the state building
11 authority at a rate not to exceed that earned by the state
12 treasurer's common cash fund during the period in which the
13 advances are outstanding and are repaid to the general fund of the
14 state.

15 (2) Upon sale of bonds or notes for the projects identified in
16 part 1 or for equipment as authorized by a legislative
17 appropriation act and in this section, the state building authority
18 shall credit the general fund of the state an amount equal to that
19 expended from the general fund plus interest, if any, as defined in
20 this section.

21 (3) For state building authority projects for which bonds or
22 notes have been issued and upon the request of the state building
23 authority, the state treasurer shall make advances without interest
24 from the general fund as necessary to meet cash flow requirements
25 for the projects, which advances shall be reimbursed by the state
26 building authority when the investments earmarked for the financing
27 of the projects mature.

1 (4) In the event that a project identified in part 1 is
2 terminated after final design is complete, advances made on behalf
3 of the state building authority for the costs of final design shall
4 be repaid to the general fund in a manner recommended by the
5 director.

6 Sec. 1102. (1) State building authority funding to finance
7 construction or renovation of a facility that collects revenue in
8 excess of money required for the operation of that facility shall
9 not be released to a university or community college unless the
10 institution agrees to reimburse that excess revenue to the state
11 building authority. The excess revenue shall be credited to the
12 general fund to offset rent obligations associated with the
13 retirement of bonds issued for that facility. The auditor general
14 shall annually identify and present an audit of those facilities
15 that are subject to this section. Costs associated with the
16 administration of the audit shall be charged against money
17 recovered pursuant to this section.

18 (2) As used in this section, "revenue" includes state
19 appropriations, facility opening money, other state aid, indirect
20 cost reimbursement, and other revenue generated by the activities
21 of the facility.

22 Sec. 1103. The state building authority shall provide to the
23 JCOS and senate and house fiscal agencies a report relative to the
24 status of construction projects associated with state building
25 authority bonds as of September 30 of each year, on or before
26 October 15, or not more than 30 days after a refinancing or
27 restructuring bond issue is sold. The report shall include, but is

1 not limited to, the following:

2 (a) A list of all completed construction projects for which
3 state building authority bonds have been sold, and which bonds are
4 currently active.

5 (b) A list of all projects under construction for which sale
6 of state building authority bonds is pending.

7 (c) A list of all projects authorized for construction or
8 identified in an appropriations act for which approval of
9 schematic/preliminary plans or total authorized cost is pending
10 that have state building authority bonds identified as a source of
11 financing.

12 REVENUE STATEMENT

13 Sec. 1201. Pursuant to section 18 of article V of the state
14 constitution of 1963, fund balances and estimates are presented in
15 the following statement:

16 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

17 (Amounts in millions)

18 Fiscal Year 2017-2018

19		Beginning	Estimated	Ending
20		<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
21	OPERATING FUNDS			
22	General fund/general purpose	366.0	10,057.5	7.6
23	School aid fund	143.4	14,797.0	7.6
24	Federal aid	0.0	20,128.1	0.0
25	Transportation funds	0.0	5,604.6	0.0

1	Special revenue funds	0.0	6,906.9	0.0
2	Other funds	709.1	28.4	1,004.0
3	TOTALS	\$1,218.5	\$57,522.5	\$1,019.2

4 ARTICLE X

5 DEPARTMENT OF HEALTH AND HUMAN SERVICES

6 PART 1

7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the department of health
 9 and human services for the fiscal year ending September 30, 2018,
 10 from the following funds:

11 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

12 APPROPRIATION SUMMARY

13	Full-time equated unclassified positions	6.0	
14	Full-time equated classified positions	15,466.0	
15	Average population	770.0	
16	GROSS APPROPRIATION		\$ 25,171,747,000
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		13,640,900
20	ADJUSTED GROSS APPROPRIATION		\$ 25,158,106,100
21	Federal revenues:		
22	Social security act, temporary assistance for needy		
23	families		532,306,900
24	Capped federal revenues		588,839,600
25	Total other federal revenues		16,984,168,600

1	Special revenue funds:	
2	Total local revenues	117,033,600
3	Total private revenues	149,873,300
4	Michigan merit award trust fund	49,068,700
5	Total other state restricted revenues	2,393,101,100
6	State general fund/general purpose	\$ 4,343,714,300
7	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
8	Full-time equated unclassified positions	6.0
9	Full-time equated classified positions	749.1
10	Unclassified salaries--6.0 FTE positions	\$ 1,153,000
11	Administrative hearings officers	11,219,700
12	Demonstration projects--7.0 FTE positions	7,355,100
13	Departmental administration and management--555.1 FTE	
14	positions.....	94,751,100
15	Developmental disabilities council and projects--10.0	
16	FTE positions.....	3,073,700
17	Office of inspector general--177.0 FTE positions	21,892,200
18	Property management	64,339,500
19	Terminal leave payments	5,686,100
20	Worker's compensation	<u>7,502,800</u>
21	GROSS APPROPRIATION	\$ 216,973,200
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of education	1,919,500
25	Federal revenues:	
26	Social security act, temporary assistance for needy	
27	families.....	22,973,500

1	Capped federal revenues	20,349,200
2	Total other federal revenues	74,254,900
3	Special revenue funds:	
4	Total local revenues	16,400
5	Total private revenues	3,843,200
6	Total other state restricted revenues	841,400
7	State general fund/general purpose	\$ 92,775,100
8	Sec. 103. CHILD SUPPORT ENFORCEMENT	
9	Full-time equated classified positions	185.7
10	Child support enforcement operations--179.7 FTE	
11	positions.....	\$ 22,312,200
12	Child support incentive payments	24,409,600
13	Legal support contracts	113,607,100
14	State disbursement unit--6.0 FTE positions	<u>8,112,800</u>
15	GROSS APPROPRIATION	\$ 168,441,700
16	Appropriated from:	
17	Federal revenues:	
18	Capped federal revenues	1,735,000
19	Total other federal revenues	142,644,500
20	State general fund/general purpose	\$ 24,062,200
21	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
22	Full-time equated classified positions	74.6
23	Bureau of community services and outreach--20.0 FTE	
24	positions.....	\$ 2,529,300
25	Child advocacy centers--0.5 FTE position	1,500,000
26	Community services and outreach administration--11.0	
27	FTE positions.....	1,465,000

1	Community services block grant	25,840,000
2	Crime victim grants administration services--13.0 FTE	
3	positions.....	2,177,100
4	Crime victim justice assistance grants	59,279,300
5	Crime victim rights services grants	16,870,000
6	Domestic violence prevention and treatment--14.6 FTE	
7	positions.....	15,817,200
8	Homeless programs	19,466,700
9	Housing and support services	13,031,000
10	Michigan community service commission--15.0 FTE	
11	positions.....	11,628,700
12	Rape prevention and services--0.5 FTE position	5,097,300
13	School success partnership program	525,000
14	Weatherization assistance	<u>16,340,000</u>
15	GROSS APPROPRIATION	\$ 191,566,600
16	Appropriated from:	
17	Federal revenues:	
18	Social security act, temporary assistance for needy	
19	families.....	13,188,400
20	Capped federal revenues	66,676,300
21	Total other federal revenues	75,829,400
22	Special revenue funds:	
23	Private - collections	44,100
24	Compulsive gambling prevention fund	1,040,500
25	Sexual assault victims' prevention and treatment fund	3,000,000
26	Child advocacy centers fund	1,500,000
27	Crime victim's rights fund	15,337,000

1	State general fund/general purpose	\$	14,950,900
2	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
3	WELFARE		
4	Full-time equated classified positions		3,844.2
5	Adoption subsidies	\$	212,142,600
6	Adoption support services--10.0 FTE positions		27,283,500
7	Attorney general contract		4,366,500
8	Child abuse and neglect - children's justice act--1.0		
9	FTE position.....		622,600
10	Child care fund.....		177,440,100
11	Child protection.....		800,300
12	Child welfare administration travel		375,000
13	Child welfare field staff - caseload compliance--		
14	2,461.0 FTE positions.....		229,613,400
15	Child welfare field staff - noncaseload compliance--		
16	330.0 FTE positions.....		34,559,000
17	Child welfare first line supervisors--578.0 FTE		
18	positions.....		72,890,500
19	Child welfare institute--45.0 FTE positions		8,203,600
20	Child welfare licensing--59.0 FTE positions		6,914,000
21	Child welfare medical/psychiatric evaluations		10,435,500
22	Children's services administration--172.2 FTE		
23	positions.....		20,075,100
24	Children's trust fund--12.0 FTE positions		3,327,700
25	Contractual services, supplies, and materials		9,300,000
26	Education planners--15.0 FTE positions		1,530,100
27	Family preservation and prevention services		

1	administration--9.0 FTE positions	1,299,300
2	Family preservation programs--13.0 FTE positions	38,877,000
3	Family support subsidy	16,951,400
4	Foster care payments	192,269,300
5	Guardianship assistance program	12,004,800
6	Interstate compact	179,600
7	Peer coaches--45.5 FTE positions	5,737,300
8	Performance-based funding implementation--3.0 FTE	
9	positions.....	1,444,800
10	Permanency resource managers--28.0 FTE positions	3,197,900
11	Prosecuting attorney contracts	3,879,500
12	Psychotropic oversight	618,200
13	Second line supervisors and technical staff--54.0 FTE	
14	positions.....	8,912,000
15	Settlement monitor	1,885,800
16	Strong families/safe children	12,350,100
17	Title IV-E compliance and accountability office--4.0	
18	FTE positions.....	424,700
19	Youth in transition--4.5 FTE positions	<u>14,276,300</u>
20	GROSS APPROPRIATION	\$ 1,134,187,500
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.....	348,647,400
27	Capped federal revenues	112,538,600

1	Total other federal revenues	244,113,100
2	Special revenue funds:	
3	Private - collections	2,927,400
4	Local funds - county chargeback	14,658,300
5	Children's trust fund	2,091,900
6	State general fund/general purpose	\$ 409,120,600
7	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
8	JUSTICE	
9	Full-time equated classified positions 120.5	
10	Bay Pines Center--47.0 FTE positions	\$ 5,468,900
11	Committee on juvenile justice administration--2.5 FTE	
12	positions.....	351,400
13	Committee on juvenile justice grants	3,000,000
14	Community support services--3.0 FTE positions	2,116,600
15	County juvenile officers	3,904,300
16	Juvenile justice, administration and maintenance--21.0	
17	FTE positions.....	3,739,300
18	Shawono Center--47.0 FTE positions	5,565,400
19	W.J. Maxey Training School	<u>250,000</u>
20	GROSS APPROPRIATION	\$ 24,395,900
21	Appropriated from:	
22	Federal revenues:	
23	Capped federal revenues	8,330,600
24	Special revenue funds:	
25	Local funds - state share education funds	1,339,000
26	Local funds - county chargeback	5,037,000
27	State general fund/general purpose	\$ 9,689,300

1	Sec. 107. PUBLIC ASSISTANCE	
2	Full-time equated classified positions	8.0
3	Emergency services local office allocations	\$ 9,357,500
4	Family independence program	76,658,100
5	Food assistance program benefits	2,348,117,400
6	Food Bank Council of Michigan	2,045,000
7	Indigent burial	4,375,000
8	Low-income home energy assistance program	181,718,400
9	Michigan corner store initiative	100
10	Michigan energy assistance program--1.0 FTE position .	50,000,000
11	Multicultural integration funding	15,303,800
12	Refugee assistance program--7.0 FTE positions	27,993,400
13	State disability assistance payments	11,422,400
14	State supplementation	61,696,700
15	State supplementation administration	<u>2,381,100</u>
16	GROSS APPROPRIATION	\$ 2,791,068,900
17	Appropriated from:	
18	Federal revenues:	
19	Social security act, temporary assistance for needy	
20	families.....	51,086,200
21	Capped federal revenues	203,129,500
22	Total other federal revenues	2,342,627,400
23	Special revenue funds:	
24	Child support collections	10,979,000
25	Supplemental security income recoveries	5,057,600
26	Public assistance recoupment revenue	6,290,000
27	Low-income energy assistance fund	50,000,000

1	State general fund/general purpose	\$	121,899,200
2	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
3	Full-time equated classified positions		6,299.5
4	Administrative support workers--221.0 FTE positions ..	\$	12,872,400
5	Adult services field staff--472.0 FTE positions		50,765,400
6	Contractual services, supplies, and materials		16,377,100
7	Donated funds positions--288.0 FTE positions		32,702,700
8	Elder Law of Michigan MiCAFE contract		350,000
9	Electronic benefit transfer (EBT)		8,509,000
10	Employment and training support services		4,219,100
11	Field policy and administration--66.0 FTE positions ..		11,103,600
12	Field staff travel		8,103,900
13	Independent living		4,531,600
14	Medical/psychiatric evaluations		1,420,100
15	Michigan rehabilitation services--526.0 FTE positions		128,750,800
16	Nutrition education--2.0 FTE positions		33,045,300
17	Public assistance field staff--4,704.5 FTE positions .		478,474,200
18	Training and program support--20.0 FTE positions		2,448,000
19	Volunteer services and reimbursement		942,400
20	GROSS APPROPRIATION	\$	794,615,600
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from department of corrections		116,000
24	IDG from department of education		7,769,500
25	Federal revenues:		
26	Social security act, temporary assistance for needy		
27	families.....		67,495,500

1	Capped federal revenues	152,849,600
2	Federal supplemental security income	8,588,600
3	Total other federal revenues	257,233,000
4	Special revenue funds:	
5	Local funds - donated funds	5,783,500
6	Local vocational rehabilitation match	5,300,000
7	Private funds - donated funds	9,600,500
8	Private funds - gifts, bequests, and donations	531,500
9	Rehabilitation service fees	40,000
10	Second injury fund	38,300
11	State general fund/general purpose	\$ 279,269,600
12	Sec. 109. DISABILITY DETERMINATION SERVICES	
13	Full-time equated classified positions	587.4
14	Disability determination operations--583.3 FTE	
15	positions	\$ 112,005,400
16	Retirement disability determination--4.1 FTE positions	<u>608,500</u>
17	GROSS APPROPRIATION	\$ 112,613,900
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from DTMB - office of retirement services	785,600
21	Federal revenues:	
22	Total other federal revenues	108,362,800
23	State general fund/general purpose	\$ 3,465,500
24	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
25	AND SPECIAL PROJECTS	
26	Full-time equated classified positions	97.0
27	Behavioral health program administration--77.0 FTE	

1	positions.....	\$	58,033,200
2	Federal and other special projects		2,535,600
3	Gambling addiction--1.0 FTE position		3,006,500
4	Office of recipient rights--19.0 FTE positions		2,721,900
5	Protection and advocacy services support		<u>194,400</u>
6	GROSS APPROPRIATION	\$	66,491,600
7	Appropriated from:		
8	Federal revenues:		
9	Total other federal revenues		34,685,000
10	Special revenue funds:		
11	Total private revenues		1,004,700
12	Total other state restricted revenues		3,006,500
13	State general fund/general purpose	\$	27,795,400
14	Sec. 111. BEHAVIORAL HEALTH SERVICES		
15	Full-time equated classified positions..... 9.5		
16	Autism services	\$	100,097,300
17	Children with serious emotional disturbance waiver ...		10,000,000
18	Children's waiver home care program		20,241,100
19	Civil service charges		399,300
20	Community mental health non-Medicaid services		120,050,400
21	Community substance use disorder prevention,		
22	education, and treatment.....		77,075,000
23	Federal mental health block grant--2.5 FTE positions .		15,457,300
24	Health homes		3,369,000
25	Healthy Michigan plan - behavioral health		265,335,600
26	Medicaid mental health services		2,316,344,700
27	Medicaid substance use disorder services		50,369,600

1	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,274,100
2	State disability assistance program substance use	
3	disorder services.....	<u>2,018,800</u>
4	GROSS APPROPRIATION	\$ 2,993,032,200
5	Appropriated from:	
6	Federal revenues:	
7	Total other federal revenues	1,966,137,500
8	Special revenue funds:	
9	Total local revenues	25,475,800
10	Total other state restricted revenues	23,881,400
11	State general fund/general purpose	\$ 977,537,500
12	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
13	MENTAL HEALTH SERVICES	
14	Total average population.....	770.0
15	Full-time equated classified positions.....	2,256.9
16	Caro Regional Mental Health Center - psychiatric	
17	hospital - adult--467.8 FTE positions	\$ 58,565,600
18	Average population.....	145.0
19	Center for forensic psychiatry--607.3 FTE positions ..	82,823,400
20	Average population.....	240.0
21	Gifts and bequests for patient living and treatment	
22	environment.....	1,000,000
23	Hawthorn Center - psychiatric hospital - children and	
24	adolescents--277.4 FTE positions	30,638,600
25	Average population.....	55.0
26	IDEA, federal special education	120,000
27	Kalamazoo Psychiatric Hospital - adult--474.1 FTE	

1	positions.....	67,273,500
2	Average population..... 170.0	
3	Purchase of medical services for residents of	
4	hospitals and centers.....	445,600
5	Revenue recapture.....	750,000
6	Special maintenance.....	924,600
7	Walter P. Reuther Psychiatric Hospital - adult--430.3	
8	FTE positions.....	58,601,500
9	Average population..... 160.0	
10	GROSS APPROPRIATION.....	\$ 301,142,800
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues.....	36,784,000
14	Special revenue funds:	
15	Total local revenues.....	20,000,500
16	Total private revenues.....	1,000,000
17	Total other state restricted revenues.....	19,376,600
18	State general fund/general purpose.....	\$ 223,981,700
19	Sec. 113. HEALTH POLICY	
20	Full-time equated classified positions..... 42.9	
21	Certificate of need program administration--12.3 FTE	
22	positions.....	\$ 2,825,300
23	Health policy administration--25.2 FTE positions.....	13,065,200
24	Human trafficking intervention services.....	200,000
25	Michigan essential health provider.....	3,591,300
26	Minority health grants and contracts.....	612,700
27	Nurse education and research program--3.0 FTE	

1	positions.....	784,400
2	Primary care services--1.4 FTE positions	5,068,700
3	Rural health services--1.0 FTE position	<u>1,555,500</u>
4	GROSS APPROPRIATION	\$ 27,703,100
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from the department of licensing and regulatory	
8	affairs.....	784,400
9	IDG from the department of treasury, Michigan state	
10	hospital finance authority.....	117,700
11	Federal revenues:	
12	Social security act, temporary assistance for needy	
13	families.....	30,400
14	Capped federal revenues	18,700
15	Total other federal revenues	16,851,200
16	Special revenue funds:	
17	Total private revenues	865,000
18	Total other state restricted revenues	2,709,400
19	State general fund/general purpose	\$ 6,326,300
20	Sec. 114. LABORATORY SERVICES	
21	Full-time equated classified positions 100.0	
22	Laboratory services--100.0 FTE positions	\$ <u>20,812,100</u>
23	GROSS APPROPRIATION	\$ 20,812,100
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from the department of environmental quality	991,000
27	Federal revenues:	

1	Total other federal revenues	2,340,100
2	Special revenue funds:	
3	Total other state restricted revenues	10,633,400
4	State general fund/general purpose	\$ 6,847,600
5	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
6	EPIDEMIOLOGY	
7	Full-time equated classified positions 114.9	
8	Childhood lead program--4.5 FTE positions	\$ 2,048,300
9	Epidemiology administration--75.1 FTE positions	20,594,400
10	Healthy homes program--12.0 FTE positions	27,740,400
11	Immunization program--12.8 FTE positions	16,886,600
12	Newborn screening follow-up and treatment services--	
13	10.5 FTE positions	<u>7,427,500</u>
14	GROSS APPROPRIATION	\$ 74,697,200
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues	53,683,100
18	Special revenue funds:	
19	Total private revenues	339,900
20	Total other state restricted revenues	12,896,400
21	State general fund/general purpose	\$ 7,777,800
22	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
23	Full-time equated classified positions 228.2	
24	AIDS prevention, testing, and care programs--37.7 FTE	
25	positions	\$ 70,623,800
26	Cancer prevention and control program--13.0 FTE	
27	positions	15,064,100

1	Chronic disease control and health promotion	
2	administration--27.4 FTE positions	8,461,300
3	Dental programs--3.8 FTE positions	2,203,500
4	Diabetes and kidney program--8.0 FTE positions	3,051,600
5	Essential local public health services	40,886,100
6	Health and wellness initiatives--11.7 FTE positions ..	7,139,100
7	Implementation of 1993 PA 133, MCL 333.17015	20,000
8	Injury control intervention project	1,000,000
9	Local health services--1.3 FTE positions	1,955,100
10	Medicaid outreach cost reimbursement to local health	
11	departments.....	12,500,000
12	Public health administration--9.0 FTE positions	1,945,400
13	Sexually transmitted disease control program--20.0 FTE	
14	positions.....	6,295,000
15	Smoking prevention program--12.0 FTE positions	2,148,300
16	Violence prevention--2.9 FTE positions	3,124,100
17	Vital records and health statistics--81.4 FTE	
18	positions.....	<u>10,049,700</u>
19	GROSS APPROPRIATION	\$ 186,467,100
20	Appropriated from:	
21	Federal revenues:	
22	Capped federal revenues	81,100
23	Total other federal revenues	79,856,800
24	Special revenue funds:	
25	Total local revenues	5,150,000
26	Total private revenues	39,279,600
27	Total other state restricted revenues	18,672,700

1	State general fund/general purpose	\$	43,426,900
2	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH		
3	Full-time equated classified positions	112.3	
4	Family, maternal, and child health administration--		
5	53.3 FTE positions	\$	9,103,600
6	Family planning local agreements		8,310,700
7	Local MCH services		7,018,100
8	Pregnancy prevention program		602,100
9	Prenatal care outreach and service delivery support--		
10	14.0 FTE positions		19,628,800
11	Special projects		6,289,100
12	Sudden and unexpected infant death and suffocation		
13	prevention program		321,300
14	Women, infants, and children program administration		
15	and special projects--45.0 FTE positions		18,045,000
16	Women, infants, and children program local agreements		
17	and food costs		<u>256,285,000</u>
18	GROSS APPROPRIATION	\$	325,603,700
19	Appropriated from:		
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families		700,000
23	Total other federal revenues		252,926,000
24	Special revenue funds:		
25	Total local revenues		75,000
26	Total private revenues		61,702,400
27	Total other state restricted revenues		595,900

1	State general fund/general purpose	\$	9,604,400
2	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND		
3	PREPAREDNESS		
4	Full-time equated classified positions	76.0	
5	Bioterrorism preparedness--53.0 FTE positions	\$	30,398,600
6	Emergency medical services program--23.0 FTE positions		<u>6,591,600</u>
7	GROSS APPROPRIATION	\$	36,990,200
8	Appropriated from:		
9	Federal revenues:		
10	Total other federal revenues		31,366,100
11	Special revenue funds:		
12	Total other state restricted revenues		4,020,500
13	State general fund/general purpose	\$	1,603,600
14	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
15	Full-time equated classified positions	46.8	
16	Bequests for care and services--2.8 FTE positions	\$	1,535,300
17	Children's special health care services		
18	administration--44.0 FTE positions		6,028,300
19	Medical care and treatment		247,241,600
20	Nonemergency medical transportation		905,900
21	Outreach and advocacy		<u>5,510,000</u>
22	GROSS APPROPRIATION	\$	261,221,100
23	Appropriated from:		
24	Federal revenues:		
25	Total other federal revenues		138,362,100
26	Special revenue funds:		
27	Total private revenues		1,013,700

1	Total other state restricted revenues	3,382,900
2	State general fund/general purpose	\$ 118,462,400
3	Sec. 120. AGING AND ADULT SERVICES AGENCY	
4	Full-time equated classified positions	48.0
5	Aging and adult services administration--48.0 FTE	
6	positions.....	\$ 9,394,700
7	Community services	42,514,000
8	Employment assistance	3,500,000
9	Nutrition services	41,494,000
10	Respite care program	6,468,700
11	Senior volunteer service programs	<u>4,465,300</u>
12	GROSS APPROPRIATION	\$ 107,836,700
13	Appropriated from:	
14	Federal revenues:	
15	Capped federal revenues	371,500
16	Total other federal revenues	59,627,100
17	Special revenue funds:	
18	Total private revenues	520,000
19	Michigan merit award trust fund	4,068,700
20	Total other state restricted revenues	2,000,000
21	State general fund/general purpose	\$ 41,249,400
22	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
23	Full-time equated classified positions	460.0
24	Electronic health record incentive program--24.0 FTE	
25	positions.....	\$ 144,328,000
26	Healthy Michigan plan administration--30.0 FTE	
27	positions.....	47,720,000

1	Medical services administration--384.5 FTE positions .	82,310,400
2	Technology supporting integrated service--21.5 FTE	
3	positions.....	<u>29,014,400</u>
4	GROSS APPROPRIATION	\$ 303,372,800
5	Appropriated from:	
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families.....	749,600
9	Capped federal revenues	910,700
10	Total other federal revenues	254,031,900
11	Special revenue funds:	
12	Total local revenues	107,300
13	Total private revenues	101,300
14	Total other state restricted revenues	336,300
15	State general fund/general purpose	\$ 47,135,700
16	Sec. 122. MEDICAL SERVICES	
17	Adult home help services	\$ 323,217,200
18	Ambulance services	18,376,100
19	Auxiliary medical services	5,500,000
20	Dental clinic program	1,000,000
21	Dental services	305,881,800
22	Federal Medicare pharmaceutical program	290,548,800
23	Health plan services	4,992,803,500
24	Healthy Michigan plan	3,745,414,000
25	Home health services	4,700,000
26	Hospice services	113,466,100
27	Hospital disproportionate share payments	40,500,000

1	Hospital services and therapy	789,175,400
2	Integrated care organizations	187,469,700
3	Long-term care services	1,779,991,400
4	Maternal and child health	20,279,500
5	Medicaid home- and community-based services waiver ...	328,662,200
6	Medicare premium payments	537,393,200
7	Personal care services	9,491,200
8	Pharmaceutical services	450,496,300
9	Physician services	262,552,900
10	Program of all-inclusive care for the elderly	106,289,100
11	School-based services	109,937,200
12	Special Medicaid reimbursement	308,796,100
13	Transportation	<u>22,073,500</u>
14	GROSS APPROPRIATION	\$ 14,754,015,200
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues	10,690,472,300
18	Special revenue funds:	
19	Total local revenues	34,090,800
20	Total private revenues	2,100,000
21	Michigan merit award trust fund	45,000,000
22	Total other state restricted revenues	2,184,525,900
23	State general fund/general purpose	\$ 1,797,826,200
24	Sec. 123. INFORMATION TECHNOLOGY	
25	Child support automation	\$ 41,877,600
26	Information technology services and projects	158,851,200
27	Michigan Medicaid information system	<u>55,634,400</u>

1	GROSS APPROPRIATION	\$	256,363,200
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of education		1,067,000
5	Federal revenues:		
6	Social security act, temporary assistance for needy		
7	families.....		23,935,900
8	Capped federal revenues		21,848,800
9	Total other federal revenues		109,683,700
10	Special revenue funds:		
11	Total private revenues		25,000,000
12	Total other state restricted revenues		1,985,800
13	State general fund/general purpose	\$	72,842,000
14	Sec. 124. ONE-TIME BASIS ONLY APPROPRIATIONS		
15	Full-time equated classified positions..... 4.5		
16	Autism navigator	\$	565,000
17	Child lead poisoning elimination board		500,000
18	Dental clinic program		1,000,000
19	Direct primary care pilot program		5,724,000
20	Drinking water declaration of emergency--4.5 FTE		
21	positions.....		13,361,700
22	Food Bank Council of Michigan		184,000
23	University autism programs		500,000
24	Primary care and dental health services		<u>300,000</u>
25	GROSS APPROPRIATION	\$	22,134,700
26	Appropriated from:		
27	Federal revenues:		

1	Social security act, temporary assistance for needy	
2	families.....	3,500,000
3	Total other federal revenues	3,708,000
4	Special revenue funds:	
5	Total other state restricted revenues	8,861,700
6	State general fund/general purpose	\$ 6,065,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$6,785,884,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$1,361,256,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

Crime victim rights services grants	\$	7,216,000
Housing and support services		637,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund.....	\$	141,665,000
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PUBLIC ASSISTANCE

Family independence program	\$	5,100
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1	Multicultural integration funding	5,478,200
2	State disability assistance payments	742,600
3	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
4	Behavioral health program administration \$	3,132,000
5	BEHAVIORAL HEALTH SERVICES	
6	Autism services	\$ 34,880,700
7	Children with serious emotional disturbance waiver ...	3,522,000
8	Children's waiver home care program	6,500,000
9	Community mental health non-Medicaid services	120,050,400
10	Community substance use disorder prevention,	
11	education, and treatment.....	14,553,400
12	Health homes	70,700
13	Healthy Michigan plan - behavioral health	15,257,000
14	Medicaid mental health services	781,860,700
15	Medicaid substance use disorder services	17,505,600
16	Nursing home PAS/ARR-OBRA	2,728,200
17	State disability assistance program substance use	
18	disorder services.....	2,018,800
19	HEALTH POLICY	
20	Primary care services	\$ 87,300
21	LABORATORY SERVICES	
22	Laboratory services	\$ 5,300
23	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY	
24	Childhood lead program	\$ 314,800
25	Epidemiology administration	154,800
26	Immunization program	1,039,300
27	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	

1	AIDS prevention, testing, and care programs	\$	1,809,300
2	Essential local public health services		35,736,100
3	Health and wellness initiatives		2,189,900
4	Public health administration		1,000
5	Sexually transmitted disease control program		701,300
6	FAMILY, MATERNAL, AND CHILD HEALTH		
7	Family, maternal, and child health administration	\$	8,800
8	Prenatal care outreach and service delivery support ..		2,997,600
9	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
10	Medical care and treatment	\$	1,236,200
11	Outreach and advocacy		2,755,000
12	AGING AND ADULT SERVICES AGENCY		
13	Community services	\$	20,033,500
14	Nutrition services		11,837,000
15	Respite care program		6,468,700
16	Senior volunteer service programs		940,800
17	MEDICAL SERVICES		
18	Dental services	\$	2,141,200
19	Hospital services and therapy		1,575,500
20	Long-term care services		102,419,500
21	Physician services		8,926,800
22	Transportation		<u>53,200</u>
23	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$	1,361,256,600
24	Sec. 202. The appropriations authorized under this part and		
25	part 1 are subject to the management and budget act, 1984 PA 431,		
26	MCL 18.1101 to 18.1594.		
27	Sec. 203. As used in this part and part 1:		

1 (a) "AIDS" means acquired immunodeficiency syndrome.

2 (b) "CMHSP" means a community mental health services program
3 as that term is defined in section 100a of the mental health code,
4 1974 PA 258, MCL 330.1100a.

5 (c) "Current fiscal year" means the fiscal year ending
6 September 30, 2018.

7 (d) "Department" means the department of health and human
8 services.

9 (e) "Director" means the director of the department.

10 (f) "DSH" means disproportionate share hospital.

11 (g) "EPSDT" means early and periodic screening, diagnosis, and
12 treatment.

13 (h) "Federal poverty level" means the poverty guidelines
14 published annually in the Federal Register by the United States
15 Department of Health and Human Services under its authority to
16 revise the poverty line under 42 USC 9902.

17 (i) "FTE" means full-time equated.

18 (j) "GME" means graduate medical education.

19 (k) "Health plan" means, at a minimum, an organization that
20 meets the criteria for delivering the comprehensive package of
21 services under the department's comprehensive health plan.

22 (l) "HEDIS" means healthcare effectiveness data and
23 information set.

24 (m) "HMO" means health maintenance organization.

25 (n) "IDEA" means the individuals with disabilities education
26 act, 20 USC 1400 to 1482.

27 (o) "IDG" means interdepartmental grant.

1 (p) "MCH" means maternal and child health.

2 (q) "Medicaid" mean subchapter XIX of the social security act,
3 42 USC 1396 to 1396w-5.

4 (r) "Medicare" means subchapter XVIII of the social security
5 act, 42 USC 1395 to 1395III.

6 (s) "MiCAFE" means Michigan's coordinated access to food for
7 the elderly.

8 (t) "MiChild" means the program described in section 1670.

9 (u) "MiSACWIS" means Michigan statewide automated child
10 welfare information system.

11 (v) "PAS/ARR-OBRA" means the preadmission screening and annual
12 resident review required under the omnibus budget reconciliation
13 act of 1987, section 1919(e)(7) of the social security act, 42 USC
14 1396r.

15 (w) "PIHP" means an entity designated by the department as a
16 regional entity or a specialty prepaid inpatient health plan for
17 Medicaid mental health services, services to individuals with
18 developmental disabilities, and substance use disorder services.
19 Regional entities are described in section 204b of the mental
20 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
21 inpatient health plans are described in section 232b of the mental
22 health code, 1974 PA 258, MCL 330.1232b.

23 (x) "Previous fiscal year" means the fiscal year ending
24 September 30, 2017.

25 (y) "Settlement" means the settlement agreement entered in the
26 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
27 States District Court for the Eastern District of Michigan.

1 (z) "SNAP" means supplemental nutrition assistance program.

2 (aa) "Temporary assistance for needy families" or "TANF" or
3 "title IV-A" means part A of subchapter IV of the social security
4 act, 42 USC 601 to 619.

5 (bb) "Title IV-B" means part B of title IV of the social
6 security act, 42 USC 620 to 629m.

7 (cc) "Title IV-D" means part D of title IV of the social
8 security act, 42 USC 651 to 669b.

9 (dd) "Title IV-E" means part E of title IV of the social
10 security act, 42 USC 670 to 679c.

11 (ee) "Title X" means subchapter VIII of the public health
12 service act, 42 USC 300 to 300a-8, which establishes grants to
13 states for family planning services.

14 (ff) "USDA" means United States Department of Agriculture.

15 Sec. 204. Unless otherwise specified, the departments and
16 agencies receiving appropriations in part 1 shall use the internet
17 to fulfill the reporting requirements of this part and part 1. This
18 requirement shall include transmission of reports via electronic
19 mail to the recipients identified for each reporting requirement,
20 and it shall include placement of reports on the internet.

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

1 services, or both, that are manufactured or provided by Michigan
2 businesses owned and operated by veterans if they are competitively
3 priced and of comparable quality.

4 Sec. 206. The director shall take all reasonable steps to
5 ensure businesses in deprived and depressed communities compete for
6 and perform contracts to provide services or supplies, or both.

7 Each director shall strongly encourage firms with which the
8 department contracts to subcontract with certified businesses in
9 depressed and deprived communities for services, supplies, or both.

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

20 (a) The dates of each travel occurrence.

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

26 Sec. 208. Funds appropriated in part 1 shall not be used by a
27 principal executive department, state agency, or authority to hire

1 a person to provide legal services that are the responsibility of
2 the attorney general. This prohibition does not apply to legal
3 services for bonding activities and for those outside services that
4 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 shall 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
12 appropriations committees, and the senate and house fiscal
13 agencies.

14 Sec. 210. (1) In addition to the funds appropriated in part 1,
15 there is appropriated an amount not to exceed \$400,000,000.00 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. These funds shall not be made available
20 to increase TANF authorization.

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$45,000,000.00 for state
23 restricted 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.

27 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$40,000,000.00 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 \$60,000,000.00 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. 211. The department shall cooperate with the department
13 of technology, management, and budget to maintain a searchable
14 website accessible by the public at no cost that includes, but is
15 not limited to, all of the following for each department or agency:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 212. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the senate and house appropriations subcommittees chairs on

1 the department budget, and the senate and house fiscal agencies
2 with an annual report on estimated state restricted fund balances,
3 state restricted fund projected revenues, and state restricted fund
4 expenditures for the previous fiscal year and the current fiscal
5 year.

6 Sec. 213. The department shall maintain, on a publicly
7 accessible website, a department scorecard that identifies, tracks,
8 and regularly updates key metrics that are used to monitor and
9 improve an agency's performance.

10 Sec. 214. Total authorized appropriations from all sources
11 under part 1 for legacy costs for the current fiscal year are
12 estimated at \$335,657,300.00. From this amount, total agency
13 appropriations for pension-related legacy costs are estimated at
14 \$172,731,300.00. Total agency appropriations for retiree health
15 care legacy costs are estimated at \$162,926,000.00.

16 Sec. 215. If either of the following events occur, within 30
17 days the department shall notify the state budget director, the
18 chairs of the house and senate subcommittees on the department
19 budget, and the house and senate fiscal agencies and policy offices
20 of that fact:

21 (a) A legislative objective of this part or of a bill or
22 amendment to a bill to amend the social welfare act, 1939 PA 280,
23 MCL 400.1 to 400.119b, cannot be implemented because implementation
24 would conflict with or violate federal regulations.

25 (b) A federal grant, for which a notice of an award has been
26 received, cannot be used, or will not be used.

27 Sec. 216. (1) In addition to funds appropriated in part 1 for

1 all programs and services, there is appropriated for write-offs of
2 accounts receivable, deferrals, and for prior year obligations in
3 excess of applicable prior year appropriations, an amount equal to
4 total write-offs and prior year obligations, but not to exceed
5 amounts available in prior year revenues.

6 (2) The department's ability to satisfy appropriation fund
7 sources in part 1 shall not be limited to collections and accruals
8 pertaining to services provided in the current fiscal year, but
9 shall also include reimbursements, refunds, adjustments, and
10 settlements from prior years.

11 Sec. 217. (1) On or before February 1 of the current fiscal
12 year, the department shall report to the house and senate
13 appropriations subcommittees on the department budget, the house
14 and senate fiscal agencies, and the state budget director on the
15 detailed name and amounts of estimated federal, restricted,
16 private, and local sources of revenue that support the
17 appropriations in each of the line items in part 1.

18 (2) Upon the release of the next fiscal year executive budget
19 recommendation, the department shall report to the same parties in
20 subsection (1) on the amounts and detailed sources of federal,
21 restricted, private, and local revenue proposed to support the
22 total funds appropriated in each of the line items in part 1 of the
23 next fiscal year executive budget proposal.

24 Sec. 218. The department shall include, but not be limited to,
25 the following in its annual list of proposed basic health services
26 as required in part 23 of the public health code, 1978 PA 368, MCL
27 333.2301 to 333.2321:

1 (a) Immunizations.

2 (b) Communicable disease control.

3 (c) Sexually transmitted disease control.

4 (d) Tuberculosis control.

5 (e) Prevention of gonorrhea eye infection in newborns.

6 (f) Screening newborns for the conditions listed in section
7 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
8 recommended by the newborn screening quality assurance advisory
9 committee created under section 5430 of the public health code,
10 1978 PA 368, MCL 333.5430.

11 (g) Health and human services annex of the Michigan emergency
12 management plan.

13 (h) Prenatal care.

14 Sec. 219. (1) The department may contract with the Michigan
15 Public Health Institute for the design and implementation of
16 projects and for other public health-related activities prescribed
17 in section 2611 of the public health code, 1978 PA 368, MCL
18 333.2611. The department may develop a master agreement with the
19 Institute to carry out these purposes for up to a 3-year period.
20 The department shall report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget director on or before January 1 of
23 the current fiscal year all of the following:

24 (a) A detailed description of each funded project.

25 (b) The amount allocated for each project, the appropriation
26 line item from which the allocation is funded, and the source of
27 financing for each project.

1 (c) The expected project duration.

2 (d) A detailed spending plan for each project, including a
3 list of all subgrantees and the amount allocated to each
4 subgrantee.

5 (2) On or before December 30 of the current fiscal year, the
6 department shall provide to the same parties listed in subsection
7 (1) a copy of all reports, studies, and publications produced by
8 the Michigan Public Health Institute, its subcontractors, or the
9 department with the funds appropriated in the department's budget
10 in the previous fiscal year and allocated to the Michigan Public
11 Health Institute.

12 Sec. 220. The department shall ensure that faith-based
13 organizations are able to apply and compete for services, programs,
14 or contracts that they are qualified and suitable to fulfill. The
15 department shall not disqualify faith-based organizations solely on
16 the basis of the religious nature of their organization or their
17 guiding principles or statements of faith.

18 Sec. 221. According to section 1b of the social welfare act,
19 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
20 part as a time-limited addendum to the social welfare act, 1939 PA
21 280, MCL 400.1 to 400.119b.

22 Sec. 222. (1) The department shall make the entire policy and
23 procedures manual available and accessible to the public via the
24 department website.

25 (2) The department shall report no later than April 1 of the
26 current fiscal year on each specific policy change made to
27 implement a public act affecting the department that took effect

1 during the prior calendar year to the house and senate
2 appropriations subcommittees on the budget for the department, the
3 joint committee on administrative rules, the senate and house
4 fiscal agencies, and policy offices. The department shall attach
5 each policy bulletin issued during the prior calendar year to this
6 report.

7 Sec. 223. The department may establish and collect fees for
8 publications, videos and related materials, conferences, and
9 workshops. Collected fees are appropriated when received and shall
10 be used to offset expenditures to pay for printing and mailing
11 costs of the publications, videos and related materials, and costs
12 of the workshops and conferences. The department shall not collect
13 fees under this section that exceed the cost of the expenditures.
14 When collected fees are appropriated under this section in an
15 amount that exceeds the current fiscal year appropriation, within
16 30 days the department shall notify the chairs of the house and
17 senate subcommittees on the department budget, the house and senate
18 fiscal agencies and policy offices, and the state budget director
19 of that fact.

20 Sec. 224. The department may retain all of the state's share
21 of food assistance overissuance collections as an offset to general
22 fund/general purpose costs. Retained collections shall be applied
23 against federal funds deductions in all appropriation units where
24 department costs related to the investigation and recoupment of
25 food assistance overissuances are incurred. Retained collections in
26 excess of such costs shall be applied against the federal funds
27 deducted in the departmental administration and support

1 appropriation unit.

2 Sec. 225. (1) Sanctions, suspensions, conditions for
3 provisional license status, and other penalties shall not be more
4 stringent for private service providers than for public entities
5 performing equivalent or similar services.

6 (2) Neither the department nor private service providers or
7 licensees shall be granted preferential treatment or considered
8 automatically to be in compliance with administrative rules based
9 on whether they have collective bargaining agreements with direct
10 care workers. Private service providers or licensees without
11 collective bargaining agreements shall not be subjected to
12 additional requirements or conditions of licensure based on their
13 lack of collective bargaining agreements.

14 Sec. 226. If the revenue collected by the department from fees
15 and collections exceeds the amount appropriated in part 1, the
16 revenue may be carried forward with the approval of the state
17 budget director into the subsequent fiscal year. The revenue
18 carried forward under this section shall be used as the first
19 source of funds in the subsequent fiscal year.

20 Sec. 227. The state departments, agencies, and commissions
21 receiving tobacco tax funds and Healthy Michigan fund revenue from
22 part 1 shall report by April 1 of the current fiscal year to the
23 senate and house appropriations committees, the senate and house
24 fiscal agencies, and the state budget director on the following:

25 (a) Detailed spending plan by appropriation line item
26 including description of programs and a summary of organizations
27 receiving these funds.

1 (b) Description of allocations or bid processes including need
2 or demand indicators used to determine allocations.

3 (c) Eligibility criteria for program participation and maximum
4 benefit levels where applicable.

5 (d) Outcome measures used to evaluate programs, including
6 measures of the effectiveness of these programs in improving the
7 health of Michigan residents.

8 Sec. 229. (1) The department shall extend the interagency
9 agreement with the talent investment agency for the duration of the
10 current fiscal year, which concerns TANF funding to provide job
11 readiness and welfare-to-work programming. The interagency
12 agreement shall include specific outcome and performance reporting
13 requirements as described in this section. TANF funding provided to
14 the talent investment agency in the current fiscal year is
15 contingent on compliance with the data and reporting requirements
16 described in this section. The interagency agreement must require
17 the talent investment agency to provide all of the following items
18 by January 1 of the current fiscal year for the previous fiscal
19 year to the senate and house appropriations subcommittees on the
20 department budget and the state budget office:

21 (a) An itemized spending report on TANF funding, including all
22 of the following:

23 (i) Direct services to recipients.

24 (ii) Administrative expenditures.

25 (b) The number of family independence program (FIP) recipients
26 served through the TANF funding, including all of the following:

27 (i) The number and percentage who obtained employment through

1 Michigan Works!

2 (ii) The number and percentage who fulfilled their TANF work
3 requirement through other job readiness programming.

4 (iii) Average TANF spending per recipient.

5 (iv) The number and percentage of recipients who were referred
6 to Michigan Works! but did not receive a job or job readiness
7 placement and the reasons why.

8 (2) Not later than March 1 of the current fiscal year, the
9 department shall provide to the senate and house appropriations
10 subcommittees on the department budget, the senate and house fiscal
11 agencies, the senate and house policy offices, and the state budget
12 office an annual report on the following matters itemized by
13 Michigan Works! agency: the number of referrals to Michigan Works!
14 job readiness programs, the number of referrals to Michigan Works!
15 job readiness programs who became a participant in the Michigan
16 Works! job readiness programs, the number of participants who
17 obtained employment, and the cost per participant case.

18 Sec. 231. From the funds appropriated in part 1 for travel
19 reimbursements to employees, the department shall allocate up to
20 \$100,000.00 toward reimbursing counties for the out-of-pocket
21 travel costs of the local county department board members and
22 county department directors to attend 1 meeting per year of the
23 Michigan County Social Services Association.

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. 270. The department shall advise the legislature of the
7 receipt of a notification from the attorney general's office of a
8 legal action in which expenses had been recovered pursuant to
9 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,
10 or any other statute under which the department has the right to
11 recover expenses. By November 1 and May 1 of the current fiscal
12 year, the department shall submit a written report to the house and
13 senate appropriations subcommittees on the department budget, the
14 house and senate fiscal agencies, and the state budget office that
15 includes, at a minimum, all of the following:

16 (a) The total amount recovered from the legal action.

17 (b) The program or service for which the money was originally
18 expended.

19 (c) Details on the disposition of the funds recovered such as
20 the appropriation or revenue account in which the money was
21 deposited.

22 (d) A description of the facts involved in the legal action.

23 Sec. 274. (1) The department, in collaboration with the state
24 budget office, shall submit to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the house and senate policy offices 1 week after the
27 day the governor submits to the legislature the budget for the

1 ensuing fiscal year a report on spending and revenue projections
2 for each of the capped federal funds listed below. The report shall
3 contain actual spending and revenue in the previous fiscal year,
4 spending and revenue projections for the current fiscal year as
5 enacted, and spending and revenue projections within the executive
6 budget proposal for the fiscal year beginning October 1, 2018 for
7 each individual line item for the department budget. The report
8 shall also include federal funds transferred to other departments.
9 The capped federal funds shall include, but not be limited to, all
10 of the following:

11 (a) TANF.

12 (b) Title XX social services block grant.

13 (c) Title IV-B part I child welfare services block grant.

14 (d) Title IV-B part II promoting safe and stable families
15 funds.

16 (e) Low-income home energy assistance program.

17 (2) It is the intent of the legislature that the department,
18 in collaboration with the state budget office, not utilize capped
19 federal funding for economics adjustments for FTEs or other
20 economics costs that are included as part of the budget submitted
21 to the legislature by the governor for the ensuing fiscal year,
22 unless there is a reasonable expectation for increased federal
23 funding to be available to the department from that capped revenue
24 source in the ensuing fiscal year.

25 Sec. 275. (1) As part of the year-end closing process, the
26 department, with the approval of the state budget director, is
27 authorized to realign sources between other federal, TANF, and

1 capped federal financing authorizations in order to maximize
2 federal revenues. This realignment of financing shall not produce a
3 gross increase or decrease in the department's total individual
4 line item authorizations, nor will it produce a net increase or
5 decrease in total federal revenues, or a net increase in TANF
6 authorization.

7 (2) Not later than November 30, the department shall submit to
8 the house and senate appropriations subcommittees on the department
9 budget, the house and senate fiscal agencies, and the house and
10 senate policy offices a report on the realignment of federal fund
11 sources that took place as part of the year-end closing process for
12 the previous fiscal year.

13 Sec. 279. (1) All master contracts relating to human services
14 as funded by the appropriations in sections 103, 104, 105, 106,
15 107, 108, and 109 of part 1 shall be performance-based contracts
16 that employ a client-centered results-oriented process that is
17 based on measurable performance indicators and desired outcomes and
18 includes the annual assessment of the quality of services provided.

19 (2) By February 1 of the current fiscal year, the department
20 shall provide the senate and house appropriations subcommittees on
21 the department budget, the senate and house fiscal agencies and
22 policy offices, and the state budget office a report detailing
23 measurable performance indicators, desired outcomes, and an
24 assessment of the quality of services provided by the department
25 during the previous fiscal year.

26 Sec. 281. By March 1 and August 1 of the current fiscal year,
27 the department shall report on the number of FTEs in pay status by

1 type of staff.

2 Sec. 288. (1) Beginning October 1 of the current fiscal year,
3 no less than 90% of a new department contract supported solely from
4 state restricted funds or general fund/general purpose funds and
5 designated in this part or part 1 for a specific entity for the
6 purpose of providing services to individuals shall be expended for
7 such services after the first year of the contract.

8 (2) The department may allow a contract to exceed the
9 limitation on administrative and services costs if it can be
10 demonstrated that an exception should be made to the provision in
11 subsection (1).

12 (3) By September 30 of the current fiscal year, the department
13 shall report to the house and senate appropriations subcommittees
14 on the department budget, house and senate fiscal agencies, and
15 state budget office on the rationale for all exceptions made to the
16 provision in subsection (1) and the number of contracts terminated
17 due to violations of subsection (1).

18 Sec. 289. By March 1 of the current fiscal year, the
19 department shall provide to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies, and the senate and house policy offices an annual report
22 on the supervisor-to-staff ratio by department divisions and
23 subdivisions.

24 Sec. 291. The department shall verify, using the e-verify
25 system, that all new department employees, and new hire employees
26 of contractors and subcontractors paid from funds appropriated in
27 part 1, are legally present in the United States. The department

1 may verify this information directly or may require contractors and
2 subcontractors to verify the information and submit a certification
3 to the department.

4 Sec. 295. (1) From the funds appropriated in part 1 to
5 agencies providing physical and behavioral health services to
6 multicultural populations, the department shall award grants in
7 accordance with the requirements of subsection (2). The state is
8 not liable for any spending above the contract amount.

9 (2) The department shall require each contractor described in
10 subsection (1) that receives greater than \$1,000,000.00 in state
11 grant funding to comply with performance-related metrics to
12 maintain their eligibility for funding. The organizational metrics
13 shall include, but not be limited to, all of the following:

14 (a) Each contractor or subcontractor shall have accreditations
15 that attest to their competency and effectiveness as behavioral
16 health and social service agencies.

17 (b) Each contractor or subcontractor shall have a mission that
18 is consistent with the purpose of the multicultural agency.

19 (c) Each contractor shall validate that any subcontractors
20 utilized within these appropriations share the same mission as the
21 lead agency receiving funding.

22 (d) Each contractor or subcontractor shall demonstrate cost-
23 effectiveness.

24 (e) Each contractor or subcontractor shall ensure their
25 ability to leverage private dollars to strengthen and maximize
26 service provision.

27 (f) Each contractor or subcontractor shall provide timely and

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1 accurate reports regarding the number of clients served, units of
2 service provision, and ability to meet their stated goals.

3 (3) The department shall require an annual report from the
4 contractors described in subsection (2). The annual report, due 60
5 days following the end of the contract period, shall include
6 specific information on services and programs provided, the client
7 base to which the services and programs were provided, information
8 on any wraparound services provided, and the expenditures for those
9 services. The department shall provide the annual reports to the
10 senate and house appropriations subcommittees on health and human
11 services, the senate and house fiscal agencies, and the state
12 budget office.

13 Sec. 298. (1) For the items described in subsections (2), (3),
14 and (4), the department shall demonstrate both the successes and
15 weaknesses of altering the behavioral health services delivery
16 system. In evaluating the successes and weaknesses, the department
17 shall consider all of the following, including, but not limited to,
18 improvement of the coordination between behavioral health and
19 physical health, improvement of services available to individuals
20 with mental illnesses, intellectual or developmental disabilities,
21 or substance use disorders, benefits associated with whole person
22 centered planning, benefits associated with full access to
23 community-based services and supports, [customer health status, customer
24 satisfaction, provider network stability,] and financial efficiencies.
25 Any and all realized benefits and cost savings of altering the
26 behavioral health system shall be reinvested in services and
27 supports for individuals having or at risk of having mental
illness, intellectual or developmental disability, or substance use

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disorder. [The evaluation described in this subsection shall be performed by researchers from one of the state's research universities.]

(2) The department shall work with a willing CMHSP in Kent County and all willing Medicaid health plans in the county to pilot a full physical and behavioral health integrated service model consistent with the stated core values of the workgroup established in section 298 of article X of 2016 PA 268.

(3) The department shall implement a public statewide behavioral health managed care organization consistent with the core values stated by the workgroup described in subsection (2). The organization shall operate in conjunction with an appointed state commission that shall consist of appropriately identified and diverse members.

(4) In addition to the pilot described in subsection (2), the department shall implement up to 3 pilots to achieve a total Medicaid behavioral health and physical health benefit and financial integration demonstration model. These demonstration models shall use single contracts between the state and each licensed Medicaid health plan that is currently contracted to provide Medicaid services in the geographic area of the pilot. The department shall ensure the pilots described in this subsection are implemented in a manner, including, but not limited to:

(a) That allows the CMHSP in the geographic area of the pilot to be a provider of behavioral health supports and services.

[(b) That any changes made to a Medicaid waiver or Medicaid state plan to implement the pilots described in this subsection must only be in effect for the duration of the pilots described in this subsection.

(c) That is consistent with the stated core values as identified in the final report of the workgroup established in section 298 of article X of 2016 PA 268.

[(d)] That provides updates to the Medical Care Advisory

1 Council, Behavioral Health Advisory Council, and Developmental
2 Disabilities Council.

3 (5) By March 15 of the current fiscal year, the department
4 shall report to the house and senate appropriations subcommittees
5 on the department budget, the house and senate fiscal agencies, the
6 house and senate policy offices, and the state budget office on
7 progress, a time frame for implementation, and any identified
8 barriers to implementation of the items described in subsections
9 (2), (3), and (4). In addition, the report shall also include
10 information on policy changes and any other efforts made to improve
11 the coordination of supports and services for individuals having or
12 at risk of having mental illness, an intellectual or developmental
13 disability, substance use disorder, or physical health needs.

14 Sec. 299. (1) No state department or agency shall issue a
15 request for proposal (RFP) for a contract in excess of
16 \$5,000,000.00, unless the department or agency has first considered
17 issuing a request for information (RFI) or a request for
18 qualification (RFQ) relative to that contract to better enable the
19 department or agency to learn more about the market for the
20 products or services that are the subject of the RFP. The
21 department or agency shall notify the department of technology,
22 management, and budget of the evaluation process used to determine
23 if an RFI or RFQ was not necessary prior to issuing the RFP.

24 (2) From funds appropriated in part 1, for all RFPs issued
25 during the current fiscal year where an existing service received
26 proposals by multiple vendors, the department shall notify all
27 vendors within 30 days of the RFP decision. The notification to

1 vendors shall include details on the RFP process, including the
2 respective RFP scores and the respective cost for each vendor. If
3 the highest scored RFP or lowest cost RFP does not receive the
4 contract for an existing service offered by the department, the
5 notification shall issue an explanation for the reasons that the
6 highest scored RFP or lowest cost RFP did not receive the contract
7 and detail the incremental cost target amount or service level
8 required that was required to migrate the service to a new vendor.
9 Additionally, the department shall include in the notification
10 details as to why a cost or service difference is justifiable if
11 the highest scored or lowest cost vendor does not receive the
12 contract.

13 (3) The department shall submit 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 by September 30 of the current fiscal year
17 a report that summarizes all RFPs during the current fiscal year
18 where an existing service received proposals by multiple vendors.
19 The report shall list all finalized RFPs where there was a
20 divergence from awarding the contract to the lowest cost or highest
21 scoring vendor. The report shall also include the cost or service
22 threshold required by department policy that must be satisfied in
23 order for an existing contract to be received by new vendor.

24 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

25 Sec. 307. (1) From the funds appropriated in part 1 for
26 demonstration projects, \$950,000.00 shall be distributed as

1 provided in subsection (2). The amount distributed under this
2 subsection shall not exceed 50% of the total operating expenses of
3 the program described in subsection (2), with the remaining 50%
4 paid by local United Way organizations and other nonprofit
5 organizations and foundations.

6 (2) Funds distributed under subsection (1) shall be
7 distributed to Michigan 2-1-1, a nonprofit corporation organized
8 under the laws of this state that is exempt from federal income tax
9 under section 501(c)(3) of the internal revenue code of 1986, 26
10 USC 501(c)(3), and whose mission is to coordinate and support a
11 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
12 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
13 in January 2005.

14 (3) Michigan 2-1-1 shall refer to the department any calls
15 received reporting fraud, waste, or abuse of state-administered
16 public assistance.

17 (4) Michigan 2-1-1 shall report annually to the department and
18 the house and senate standing committees with primary jurisdiction
19 over matters relating to human services and telecommunications on
20 2-1-1 system performance, the senate and house appropriations
21 subcommittees on the department budget, and the senate and house
22 fiscal agencies, including, but not limited to, call volume by
23 health and human service needs and unmet needs identified through
24 caller data and customer satisfaction metrics.

25 Sec. 316. From the funds appropriated in part 1 for terminal
26 leave payments, the department shall not spend in excess of its
27 annual gross appropriation unless it identifies and requests a

1 legislative transfer from another budgetary line item supporting
2 administrative costs, as provided by section 393(2) of the
3 management and budget act, 1984 PA 431, MCL 18.1393.

4 **CHILD SUPPORT ENFORCEMENT**

5 Sec. 401. (1) The appropriations in part 1 assume a total
6 federal child support incentive payment of \$26,500,000.00.

7 (2) From the federal money received for child support
8 incentive payments, \$12,000,000.00 shall be retained by the state
9 and expended for child support program expenses.

10 (3) From the federal money received for child support
11 incentive payments, \$14,500,000.00 shall be paid to the counties
12 based on each county's performance level for each of the federal
13 performance measures as established in 45 CFR 305.2.

14 (4) If the child support incentive payment to the state from
15 the federal government is greater than \$26,500,000.00, then 100% of
16 the excess shall be retained by the state and is appropriated until
17 the total retained by the state reaches \$15,397,400.00.

18 (5) If the child support incentive payment to the state from
19 the federal government is greater than the amount needed to satisfy
20 the provisions identified in subsections (1), (2), (3), and (4),
21 the additional funds shall be subject to appropriation by the
22 legislature.

23 (6) If the child support incentive payment to the state from
24 the federal government is less than \$26,500,000.00, then the state
25 and county share shall each be reduced by 50% of the shortfall.

26 Sec. 409. (1) If statewide retained child support collections

1 exceed \$38,300,000.00, 75% of the amount in excess of
2 \$38,300,000.00 is appropriated to legal support contracts. This
3 excess appropriation may be distributed to eligible counties to
4 supplement and not supplant county title IV-D funding.

5 (2) Each county whose retained child support collections in
6 the current fiscal year exceed its fiscal year 2004-2005 retained
7 child support collections, excluding tax offset and financial
8 institution data match collections in both the current year and
9 fiscal year 2004-2005, shall receive its proportional share of the
10 75% excess.

11 Sec. 410. (1) If title IV-D-related child support collections
12 are escheated, the state budget director is authorized to adjust
13 the sources of financing for the funds appropriated in part 1 for
14 legal support contracts to reduce federal authorization by 66% of
15 the escheated amount and increase general fund/general purpose
16 authorization by the same amount. This budget adjustment is
17 required to offset the loss of federal revenue due to the escheated
18 amount being counted as title IV-D program income in accordance
19 with federal regulations at 45 CFR 304.50.

20 (2) The department shall notify the chairs of the house and
21 senate appropriations subcommittees on the department budget and
22 the house and senate fiscal agencies within 15 days of the
23 authorization adjustment in subsection (1).

24 **COMMUNITY SERVICES AND OUTREACH**

25 Sec. 450. (1) From the funds appropriated in part 1 for school
26 success partnership program, the department shall allocate

1 \$525,000.00 by December 1 of the current fiscal year to support the
2 Northeast Michigan Community Service Agency programming, which will
3 take place in each county in the Governor's Prosperity Region 3.

4 The department shall require the following performance objectives
5 be measured and reported for the duration of the state funding for
6 the school success partnership program:

7 (a) Increasing school attendance and decreasing chronic
8 absenteeism.

9 (b) Increasing academic performance based on grades with
10 emphasis on math and reading.

11 (c) Identifying barriers to attendance and success and
12 connecting families with resources to reduce these barriers.

13 (d) Increasing parent involvement with the parent's child's
14 school and community.

15 (2) The Northeast Michigan Community Service Agency shall
16 provide reports to the department on January 31 and June 30 of the
17 current fiscal year on the number of children and families served
18 and the services that were provided to families to meet the
19 performance objectives identified in this section. The department
20 shall distribute the reports within 1 week after receipt to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, the senate and house
23 policy offices, and the state budget office.

24 Sec. 452. From the funds appropriated in part 1 for crime
25 victim justice assistance grants, the department shall continue to
26 support forensic nurse examiner programs to facilitate training for
27 improved evidence collection for the prosecution of sexual assault.

1 The funds shall be used for program coordination and training.

2 Sec. 453. From the funds appropriated in part 1 for homeless
3 programs, the department shall increase emergency shelter program
4 per diem rates to \$16.00 per bed night to support efforts of
5 shelter providers to move homeless individuals and households into
6 permanent housing as quickly as possible. The purpose of this
7 enhancement is to increase the number of shelter discharges to
8 stable housing destinations, decrease recidivism rates for shelter
9 clients, and reduce the average length of stay in emergency
10 shelters.

11 Sec. 454. The department shall allocate the full amount of
12 funds appropriated in part 1 for homeless programs to provide
13 services for homeless individuals and families, including, but not
14 limited to, third-party contracts for emergency shelter services.

15 Sec. 455. As a condition of receipt of federal TANF funds,
16 homeless shelters and human services agencies shall collaborate
17 with the department to obtain necessary TANF eligibility
18 information on families as soon as possible after admitting a
19 family to the homeless shelter. From the funds appropriated in part
20 1 for homeless programs, the department is authorized to make
21 allocations of TANF funds only to the homeless shelters and human
22 services agencies that report necessary data to the department for
23 the purpose of meeting TANF eligibility reporting requirements.
24 Homeless shelters or human services agencies that do not report
25 necessary data to the department for the purpose of meeting TANF
26 eligibility reporting requirements will not receive reimbursements
27 that exceed the per diem amount they received in fiscal year 2000.

1 The use of TANF funds under this section is not an ongoing
2 commitment of funding.

3 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

4 Sec. 501. (1) A goal is established that not more than 25% of
5 all children in foster care at any given time during the current
6 fiscal year will have been in foster care for 24 months or more.

7 (2) By March 1 of the current fiscal year, the department
8 shall provide to the senate and house appropriations subcommittees
9 on the department budget, the senate and house fiscal agencies, the
10 senate and house policy offices, and the state budget office a
11 report describing the steps that will be taken to achieve the
12 specific goal established in this section and on the percentage of
13 children who currently are in foster care and who have been in
14 foster care a total of 24 or more months.

15 Sec. 502. From the funds appropriated in part 1 for foster
16 care, the department shall provide 50% reimbursement to Indian
17 tribal governments for foster care expenditures for children who
18 are under the jurisdiction of Indian tribal courts and who are not
19 otherwise eligible for federal foster care cost sharing.

20 Sec. 503. (1) In accordance with the final report of the
21 Michigan child welfare performance-based funding task force issued
22 in response to section 503 of article X of 2013 PA 59, the
23 department shall continue to develop actuarially sound case rates
24 for necessary out-of-home child welfare services that achieve
25 permanency by the department and private child placing agencies in
26 a prospective payment system under a performance-based funding

1 model.

2 (2) The department shall continue to develop a prospective
3 rate payment system for private agencies that includes funding for
4 adoption incentive payments. The full cost prospective rate payment
5 system will identify and cover contractual costs paid through the
6 case rate developed by an independent actuary.

7 (3) By March 1 of the current fiscal year, the department
8 shall provide to the senate and house appropriations committees on
9 the department budget, the senate and house fiscal agencies and
10 policy offices, and the state budget office a report on the full
11 cost analysis of the performance-based funding model. The report
12 shall include background information on the project and give
13 details about the contractual costs covered through the case rate.

14 (4) The department shall only implement the performance-based
15 funding model into additional counties where the department,
16 private child welfare agencies, the county, and the court operating
17 within that county have signed a memorandum of understanding that
18 incorporates the intentions of the concerned parties in order to
19 implement the performance-based funding model.

20 (5) The department, in conjunction with members from both the
21 house of representatives and senate, private child placing
22 agencies, the courts, and counties shall implement the
23 recommendations that are described in the workgroup report that was
24 provided in section 503 of article X of 2013 PA 59 to establish a
25 performance-based funding for public and private child welfare
26 services providers. The department shall provide a quarterly report
27 on the status of the performance-based contracting model to the

1 senate and house appropriations subcommittees on the department
2 budget, the senate and house standing committees on families and
3 human services, and the senate and house fiscal agencies and policy
4 offices.

5 (6) From the funds appropriated in part 1 for the performance-
6 based funding model pilot, the department shall continue to work
7 with the West Michigan Partnership for Children Consortium on the
8 implementation of the performance-based funding model pilot. The
9 consortium shall accept and comprehensively assess referred youth,
10 assign cases to members of its continuum or leverage services from
11 other entities, and make appropriate case management decisions
12 during the duration of a case. The consortium shall operate an
13 integrated continuum of care structure, with services provided by
14 both private and public agencies, based on individual case needs.
15 The consortium shall demonstrate significant organizational
16 capacity and competencies, including experience with managing risk-
17 based contracts, financial strength, experienced staff and
18 leadership, and appropriate governance structure.

19 Sec. 504. (1) The department may establish a master agreement
20 with the West Michigan Partnership for Children Consortium for a
21 performance-based child welfare contracting pilot program. The
22 consortium shall consist of a network of affiliated child welfare
23 service providers that will accept and comprehensively assess
24 referred youth, assign cases to members of its continuum or
25 leverage services from other entities, and make appropriate case
26 management decisions during the duration of a case.

27 (2) The consortium shall operate an integrated continuum of

1 care structure, with services provided by private or public
2 agencies, based on individual case needs.

3 (3) By March 1 of the current fiscal year, the consortium
4 shall provide to the department and the house and senate
5 appropriations subcommittees on the department budget a report on
6 the consortium, including, but not limited to, actual expenditures,
7 administrative expenses, number of children placed by agencies in
8 the consortium, fund balance of the consortium, and the status of
9 the consortium evaluation.

10 Sec. 505. By March 1 of the current fiscal year, the
11 department shall provide to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies and policy offices, and the state budget office a report
14 for youth referred or committed to the department for care or
15 supervision in the previous fiscal year outlining the number of
16 youth served within the juvenile justice system, the type of
17 setting for each youth, performance outcomes, and financial costs
18 or savings.

19 Sec. 507. The department's ability to satisfy appropriation
20 deducts in part 1 for foster care private collections shall not be
21 limited to collections and accruals pertaining to services provided
22 only in the current fiscal year but may include revenues collected
23 during the current fiscal year for services provided in prior
24 fiscal years.

25 Sec. 508. (1) In addition to the amount appropriated in part 1
26 for children's trust fund grants, money granted or money received
27 as gifts or donations to the children's trust fund created by 1982

1 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

2 (2) The department and the child abuse and neglect prevention
3 board shall collaborate to ensure that administrative delays are
4 avoided and the local grant recipients and direct service providers
5 receive money in an expeditious manner. The department and board
6 shall make available the children's trust fund contract funds to
7 grantees within 31 days of the start date of the funded project.

8 Sec. 511. The department shall provide semiannual reports to
9 the senate and house appropriations subcommittees on the department
10 budget, the senate and house standing committees on families and
11 human services, and the senate and house fiscal agencies and policy
12 offices on the number and percentage of children who received
13 timely health examinations after entry into foster care and the
14 number and percentage of children entering foster care who received
15 a required mental health examination after entry into foster care.

16 Sec. 512. (1) From the funds appropriated in part 1, the
17 department shall conduct a study on the cost and feasibility of
18 extending basic foster care services and financial resources to
19 children and to the caregivers of children who have been removed
20 from their birth parent, birth parents, or guardian and placed with
21 a relative outside of the foster care system.

22 (2) The department shall report the findings of the study
23 described in subsection (1) to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the house and senate policy offices by July 1 of the
26 current fiscal year.

27 Sec. 513. (1) The department shall not expend funds

1 appropriated in part 1 to pay for the direct placement by the
2 department of a child in an out-of-state facility unless all of the
3 following conditions are met:

4 (a) There is no appropriate placement available in this state
5 as determined by the department interstate compact office.

6 (b) An out-of-state placement exists that is nearer to the
7 child's home than the closest appropriate in-state placement as
8 determined by the department interstate compact office.

9 (c) The out-of-state facility meets all of the licensing
10 standards of this state for a comparable facility.

11 (d) The out-of-state facility meets all of the applicable
12 licensing standards of the state in which it is located.

13 (e) The department has done an on-site visit to the out-of-
14 state facility, reviewed the facility records, reviewed licensing
15 records and reports on the facility, and believes that the facility
16 is an appropriate placement for the child.

17 (2) The department shall not expend money for a child placed
18 in an out-of-state facility without approval of the executive
19 director of the children's services agency.

20 (3) The department shall submit an annual report to the state
21 court administrative office, the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, the house and senate policy offices, and the state budget
24 office on the number of Michigan children residing in out-of-state
25 facilities at the time of the report, the total cost and average
26 per diem cost of these out-of-state placements to this state, and a
27 list of each such placement arranged by the Michigan county of

1 residence for each child.

2 (4) It is the intent of the legislature that the department
3 shall work in conjunction with the courts and the state court
4 administrative office to identify data needed to calculate
5 statewide recidivism rates for adjudicated youth placed in either
6 residential secure or nonsecure facilities, defined at 6 months
7 after a youth is released from placement.

8 (5) By March 1 of the current fiscal year, the department
9 shall notify the legislature on the status of efforts to accomplish
10 the intent of subsection (4).

11 Sec. 514. The department shall make a comprehensive report
12 concerning children's protective services (CPS) to the legislature,
13 including the senate and house policy offices and the state budget
14 director, by March 1 of the current fiscal year, that shall include
15 all of the following:

16 (a) Statistical information including, but not limited to, all
17 of the following:

18 (i) The total number of reports of child abuse or child
19 neglect investigated under the child protection law, 1975 PA 238,
20 MCL 722.621 to 722.638, and the number of cases classified under
21 category I or category II and the number of cases classified under
22 category III, category IV, or category V.

23 (ii) Characteristics of perpetrators of child abuse or child
24 neglect and the child victims, such as age, relationship, race, and
25 ethnicity and whether the perpetrator exposed the child victim to
26 drug activity, including the manufacture of illicit drugs, that
27 exposed the child victim to substance abuse, a drug house, or

1 methamphetamine.

2 (iii) The mandatory reporter category in which the individual
3 who made the report fits, or other categorization if the individual
4 is not within a group required to report under the child protection
5 law, 1975 PA 238, MCL 722.621 to 722.638.

6 (iv) The number of cases that resulted in the separation of
7 the child from the parent or guardian and the period of time of
8 that separation, up to and including termination of parental
9 rights.

10 (v) For the reported complaints of child abuse or child
11 neglect by teachers, school administrators, and school counselors,
12 the number of cases classified under category I or category II and
13 the number of cases classified under category III, category IV, or
14 category V.

15 (vi) For the reported complaints of child abuse or child
16 neglect by teachers, school administrators, and school counselors,
17 the number of cases that resulted in separation of the child from
18 the parent or guardian and the period of time of that separation,
19 up to and including termination of parental rights.

20 (b) New policies related to children's protective services
21 including, but not limited to, major policy changes and court
22 decisions affecting the children's protective services system
23 during the immediately preceding 12-month period.

24 (c) Statistical information regarding families that were
25 classified in category III, including, but not limited to, all of
26 the following:

27 (i) The total number of cases classified in category III.

1 (ii) The number of cases in category III referred to voluntary
2 community services and closed with no additional monitoring.

3 (iii) The number of cases in category III referred to
4 voluntary community services and monitored for up to 90 days.

5 (iv) The number of cases in category III for which the
6 department entered more than 1 determination that there was
7 evidence of child abuse or child neglect.

8 (v) The number of cases in category III that the department
9 reclassified from category III to category II.

10 (vi) The number of cases in category III that the department
11 reclassified from category III to category I.

12 (vii) The number of cases in category III that the department
13 reclassified from category III to category I that resulted in a
14 removal.

15 (d) The department policy, or changes to the department
16 policy, regarding children who have been exposed to the production
17 or manufacture of methamphetamines.

18 Sec. 515. By March 1 of the current fiscal year, the
19 department shall submit a report to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office that provides an update on the
23 privatization of child welfare services in Kent County as described
24 in section 515 of article X of 2013 PA 59 and includes all of the
25 following:

26 (a) Costs or savings that resulted from the program.

27 (b) Gaps in funding.

1 (c) Program successes.

2 (d) Challenges and barriers to a successful implementation.

3 Sec. 519. The department shall permit any private agency that
4 has an existing contract with this state to provide foster care
5 services to be also eligible to provide treatment foster care
6 services.

7 Sec. 523. (1) By February 15 of the current fiscal year, the
8 department shall report on the families first, family
9 reunification, and families together building solutions family
10 preservation programs to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office. The report shall provide an estimate of total costs savings
14 as a result of avoiding placement of children in foster care for
15 families who received family preservation services and shall
16 include information for each program on any innovations that may
17 increase savings or reductions in administrative costs.

18 (2) From the funds appropriated in part 1 for youth in
19 transition and domestic violence prevention and treatment, the
20 department is authorized to make allocations of TANF funds only to
21 agencies that report necessary data to the department for the
22 purpose of meeting TANF eligibility reporting requirements.

23 Sec. 524. As a condition of receiving funds appropriated in
24 part 1 for strong families/safe children, counties must submit the
25 service spending plan to the department by October 1 of the current
26 fiscal year for approval. The department shall approve the service
27 spending plan within 30 calendar days after receipt of a properly

1 completed service spending plan.

2 Sec. 525. The department shall implement the same on-site
3 evaluation processes for privately operated child welfare and
4 juvenile justice residential facilities as is used to evaluate
5 state-operated facilities. Penalties for noncompliance shall be the
6 same for privately operated child welfare and juvenile justice
7 residential facilities and state-operated facilities.

8 Sec. 526. From the funds appropriated in part 1 for foster
9 care payments and related administrative costs, the department may
10 implement the federally approved title IV-E child welfare waiver
11 demonstration project. As required under the waiver, any savings
12 resulting from the demonstration project must be quantified and
13 reinvested into child welfare programming.

14 Sec. 531. The department shall notify the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, and the house and senate policy offices
17 of any changes to a child welfare master contract template,
18 including the adoption master contract template, the independent
19 living plus master contract template, the child placing agency
20 foster care master contract template, and the residential foster
21 care juvenile justice master contract template, not less than 30
22 days before the change takes effect.

23 Sec. 532. The department, in collaboration with
24 representatives of private child and family agencies, shall revise
25 and improve the annual licensing review process and the annual
26 contract compliance review process for child placing agencies and
27 child caring institutions. The improvement goals shall be safety

1 and care for children. Improvements to the review process shall be
2 directed toward alleviating administrative burdens so that agency
3 resources may be focused on children. The revision shall include
4 identification of duplicative staff activities and information
5 sought from child placing agencies and child caring institutions in
6 the annual review process. The department shall report to the
7 senate and house appropriations subcommittees on the department
8 budget, the senate and house fiscal agencies and policy offices,
9 and the state budget director on or before January 15 of the
10 current fiscal year on the findings of the annual licensing review.

11 Sec. 533. (1) The department shall make payments to child
12 placing facilities for in-home and out-of-home care services and
13 adoption services within 30 days of receiving all necessary
14 documentation from those agencies. It is the intent of the
15 legislature that the burden of ensuring that these payments are
16 made in a timely manner and no payments are in arrears is upon the
17 department.

18 (2) No later than March 1 of the current fiscal year, the
19 department shall submit a report to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office that details each private child placing
23 agency and the percentage of payments that were in excess of 30
24 days during the entire prior fiscal year and the first quarter of
25 the current fiscal year.

26 Sec. 537. (1) The department, in collaboration with child
27 placing agencies, shall develop a strategy to implement section

1 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The
2 strategy shall include a requirement that a department caseworker
3 responsible for preparing a recommendation to a court concerning a
4 juvenile placement shall provide, as part of the recommendation,
5 information regarding the requirements of section 115o of the
6 social welfare act, 1939 PA 280, MCL 400.115o.

7 (2) By March 1 of the current fiscal year, the department
8 shall provide to the senate and house appropriations subcommittees
9 on the department budget, the senate and house fiscal agencies, the
10 senate and house policy offices, and the state budget office a
11 report on the strategy described in subsection (1).

12 Sec. 540. If a physician or psychiatrist who is providing
13 services to state or court wards placed in a residential facility
14 submits a formal request to the department to change the
15 psychotropic medication of a ward, the department shall, if the
16 ward is a state ward, make a determination on the proposed change
17 within 7 business days after the request or, if the ward is a
18 temporary court ward, seek parental consent within 7 business days
19 after the request. If parental consent is not provided within 7
20 business days, the department shall petition the court on the
21 eighth business day.

22 Sec. 546. (1) From the funds appropriated in part 1 for foster
23 care payments and from child care fund, the department shall pay
24 providers of general foster care and trial reunification services
25 not less than a \$45.60 administrative rate.

26 (2) From the funds appropriated in part 1 for foster care
27 payments and from child care fund, the department shall pay

1 providers of general independent living services not less than a
2 \$37.10 administrative rate.

3 (3) From the funds appropriated in part 1, the department
4 shall pay providers of independent living plus services statewide
5 per diem rates for staff-supported housing and host-home housing
6 based on proposals submitted in response to a solicitation for
7 pricing. The independent living plus program provides staff-
8 supported housing and services for foster youth ages 16 through 19
9 who, because of their individual needs and assessments, are not
10 initially appropriate for general independent living foster care.

11 (4) If required by the federal government to meet title IV-E
12 requirements, providers of foster care services shall submit
13 quarterly expenditure reports to the department to identify actual
14 costs of providing foster care services.

15 Sec. 547. From the funds appropriated in part 1 for the
16 guardianship assistance program, the department shall pay a minimum
17 rate that is not less than the approved age-appropriate payment
18 rates for youth placed in family foster care.

19 Sec. 559. (1) From the funds appropriated in part 1 for
20 adoption support services, the department shall allocate
21 \$250,000.00 to the Adoptive Family Support Network by December 1 of
22 the current fiscal year to operate and expand its adoptive parent
23 mentor program to provide a listening ear, knowledgeable guidance,
24 and community connections to adoptive parents and children who were
25 adopted in this state or another state.

26 (2) The Adoptive Family Support Network shall submit to the
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, the senate and house
2 policy offices, and the state budget office by March 1 of the
3 current fiscal year a report on the program described in subsection
4 (1), including, but not limited to, the number of cases served and
5 the number of cases in which the program prevented an out-of-home
6 placement.

7 Sec. 562. The department shall provide time and travel
8 reimbursements for foster parents who transport a foster child to
9 parent-child visitations. As part of the foster care parent
10 contract, the department shall provide written confirmation to
11 foster parents that states that the foster parents have the right
12 to request these reimbursements for all parent-child visitations.
13 The department shall provide these reimbursements within 60 days of
14 receiving a request for eligible reimbursements from a foster
15 parent.

16 Sec. 567. The department shall submit to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office by March 1 of the current fiscal year a
20 report on completion of medical passports for children in foster
21 care, including the following:

22 (a) The percentage of medical passports that were properly
23 filled out.

24 (b) From the total medical passports transferred, the
25 percentage that transferred within 2 weeks from the date of
26 placement or return to the home.

27 (c) From the total school records, the percentage that

1 transferred within 2 weeks from the date of placement or return to
2 the home.

3 (d) The implementation steps that have been taken to improve
4 the outcomes for the measures in subdivisions (a) and (b).

5 Sec. 574. (1) From the funds appropriated in part 1 for foster
6 care payments, \$2,500,000.00 is allocated to support performance-
7 based contracts with child placing agencies to facilitate the
8 licensure of relative caregivers as foster parents. Agencies shall
9 receive \$2,300.00 for each facilitated licensure if completed
10 within 180 days after a child's placement or, if a waiver was
11 previously approved, 180 days from the application date. If the
12 facilitated licensure, or approved waiver, is completed after 180
13 days, the agency shall receive up to \$2,300.00. The agency
14 facilitating the licensure would retain the placement and continue
15 to provide case management services for at least 50% of the newly
16 licensed cases for which the placement was appropriate to the
17 agency. Up to 50% of the newly licensed cases would have direct
18 foster care services provided by the department.

19 (2) From the funds appropriated for foster care payments,
20 \$375,000.00 is allocated to support family incentive grants to
21 private and community-based foster care service providers to assist
22 with home improvements or payment for physical exams for applicants
23 needed by foster families to accommodate foster children.

24 Sec. 583. By March 1 of the current fiscal year, the
25 department shall provide to the senate and house appropriations
26 subcommittees on the department budget, the senate and house
27 standing committees on families and human services, the senate and

1 house fiscal agencies and policy offices, and the state budget
2 office a report that includes:

3 (a) The number and percentage of foster parents that dropped
4 out of the program in the previous fiscal year and the reasons the
5 foster parents left the program and how those figures compare to
6 prior fiscal years.

7 (b) The number and percentage of foster parents successfully
8 retained in the previous fiscal year and how those figures compare
9 to prior fiscal years.

10 Sec. 585. The department shall make available at least 1 pre-
11 service training class each month in which new caseworkers for
12 private foster care and adoption agencies can enroll.

13 Sec. 588. (1) Concurrently with public release, the department
14 shall transmit all reports from the court-appointed settlement
15 monitor, including, but not limited to, the needs assessment and
16 period outcome reporting, to the state budget office, the senate
17 and house appropriations subcommittees on the department budget,
18 and the senate and house fiscal agencies and policy offices,
19 without revision.

20 (2) The department shall report quarterly to the state budget
21 office, the senate and house appropriations subcommittees on the
22 department budget, the senate and house fiscal agencies, and the
23 senate and house policy offices on the number of children enrolled
24 in the guardianship assistance and foster care - children with
25 serious emotional disturbance waiver programs.

26 Sec. 589. On a monthly basis, the department shall report on
27 the number of all foster care cases administered by the department

1 and all foster care cases administered by private providers.

2 Sec. 593. The department may allow residential service
3 providers for child abuse and child neglect cases to implement a
4 staff ratio during working hours of 1 staff to 5 children.

5 Sec. 594. From the funds appropriated in part 1 for foster
6 care payments, the department shall support regional resource teams
7 to provide for the recruitment, retention, and training of foster
8 and adoptive parents and shall expand the Michigan youth
9 opportunities initiative to all Michigan counties. The purpose of
10 this investment is to increase the number of annual inquiries from
11 prospective foster parents, increase the number of nonrelative
12 foster homes that achieve licensure each year, increase the annual
13 retention rate of nonrelative foster homes, reduce the number of
14 older foster youth placed outside of family settings, and provide
15 older youth with enhanced support in transitioning to adulthood.

16 **PUBLIC ASSISTANCE**

17 Sec. 601. Whenever a client agrees to the release of his or
18 her name and address to the local housing authority, the department
19 shall request from the local housing authority information
20 regarding whether the housing unit for which vendoring has been
21 requested meets applicable local housing codes. Vendoring shall be
22 terminated for those units that the local authority indicates in
23 writing do not meet local housing codes until such time as the
24 local authority indicates in writing that local housing codes have
25 been met.

26 Sec. 604. (1) The department shall operate a state disability

1 assistance program. Except as provided in subsection (3), persons
2 eligible for this program shall include needy citizens of the
3 United States or aliens exempted from the supplemental security
4 income citizenship requirement who are at least 18 years of age or
5 emancipated minors meeting 1 or more of the following requirements:

6 (a) A recipient of supplemental security income, social
7 security, or medical assistance due to disability or 65 years of
8 age or older.

9 (b) A person with a physical or mental impairment that meets
10 federal supplemental security income disability standards, except
11 that the minimum duration of the disability shall be 90 days.
12 Substance use disorder alone is not defined as a basis for
13 eligibility.

14 (c) A resident of an adult foster care facility, a home for
15 the aged, a county infirmary, or a substance use disorder treatment
16 center.

17 (d) A person receiving 30-day postresidential substance use
18 disorder treatment.

19 (e) A person diagnosed as having acquired immunodeficiency
20 syndrome.

21 (f) A person receiving special education services through the
22 local intermediate school district.

23 (g) A caretaker of a disabled person who meets the
24 requirements specified in subdivision (a), (b), (e), or (f).

25 (2) Applicants for and recipients of the state disability
26 assistance program shall be considered needy if they:

27 (a) Meet the same asset test as is applied for the family

1 independence program.

2 (b) Have a monthly budgetable income that is less than the
3 payment standards.

4 (3) Except for a person described in subsection (1)(c) or (d),
5 a person is not disabled for purposes of this section if his or her
6 drug addiction or alcoholism is a contributing factor material to
7 the determination of disability. "Material to the determination of
8 disability" means that, if the person stopped using drugs or
9 alcohol, his or her remaining physical or mental limitations would
10 not be disabling. If his or her remaining physical or mental
11 limitations would be disabling, then the drug addiction or
12 alcoholism is not material to the determination of disability and
13 the person may receive state disability assistance. Such a person
14 must actively participate in a substance abuse treatment program,
15 and the assistance must be paid to a third party or through vendor
16 payments. For purposes of this section, substance abuse treatment
17 includes receipt of inpatient or outpatient services or
18 participation in alcoholics anonymous or a similar program.

19 Sec. 605. The level of reimbursement provided to state
20 disability assistance recipients in licensed adult foster care
21 facilities shall be the same as the prevailing supplemental
22 security income rate under the personal care category.

23 Sec. 606. County department offices shall require each
24 recipient of family independence program and state disability
25 assistance who has applied with the social security administration
26 for supplemental security income to sign a contract to repay any
27 assistance rendered through the family independence program or

1 state disability assistance program upon receipt of retroactive
2 supplemental security income benefits.

3 Sec. 607. (1) The department's ability to satisfy
4 appropriation deductions in part 1 for state disability
5 assistance/supplemental security income recoveries and public
6 assistance recoupment revenues shall not be limited to recoveries
7 and accruals pertaining to state disability assistance, or family
8 independence assistance grant payments provided only in the current
9 fiscal year, but may include revenues collected during the current
10 year that are prior year related and not a part of the department's
11 accrued entries.

12 (2) The department may use supplemental security income
13 recoveries to satisfy the deduct in any line in which the revenues
14 are appropriated, regardless of the source from which the revenue
15 is recovered.

16 Sec. 608. Adult foster care facilities providing domiciliary
17 care or personal care to residents receiving supplemental security
18 income or homes for the aged serving residents receiving
19 supplemental security income shall not require those residents to
20 reimburse the home or facility for care at rates in excess of those
21 legislatively authorized. To the extent permitted by federal law,
22 adult foster care facilities and homes for the aged serving
23 residents receiving supplemental security income shall not be
24 prohibited from accepting third-party payments in addition to
25 supplemental security income if the payments are not for food,
26 clothing, shelter, or result in a reduction in the recipient's
27 supplemental security income payment.

1 Sec. 609. The state supplementation level under the
2 supplemental security income program for the personal care/adult
3 foster care and home for the aged categories shall not be reduced
4 during the current fiscal year. The legislature shall be notified
5 not less than 30 days before any proposed reduction in the state
6 supplementation level.

7 Sec. 610. (1) In developing good cause criteria for the state
8 emergency relief program, the department shall grant exemptions if
9 the emergency resulted from unexpected expenses related to
10 maintaining or securing employment.

11 (2) For purposes of determining housing affordability
12 eligibility for state emergency relief, a group is considered to
13 have sufficient income to meet ongoing housing expenses if their
14 total housing obligation does not exceed 75% of their total net
15 income.

16 (3) State emergency relief payments shall not be made to
17 individuals who have been found guilty of fraud in regard to
18 obtaining public assistance.

19 (4) State emergency relief payments shall not be made
20 available to persons who are out-of-state residents or illegal
21 immigrants.

22 (5) State emergency relief payments for rent assistance shall
23 be distributed directly to landlords and shall not be added to
24 Michigan bridge cards.

25 Sec. 611. The state supplementation level under the
26 supplemental security income program for the living independently
27 or living in the household of another categories shall not exceed

1 the minimum state supplementation level as required under federal
2 law or regulations.

3 Sec. 613. (1) The department shall provide reimbursements for
4 the final disposition of indigent persons. The reimbursements shall
5 include the following:

6 (a) The maximum allowable reimbursement for the final
7 disposition is \$800.00.

8 (b) The adult burial with services allowance is \$725.00.

9 (c) The adult burial without services allowance is \$490.00.

10 (d) The infant burial allowance is \$170.00.

11 (2) Reimbursement for a cremation permit fee of up to \$75.00
12 and for mileage at the standard rate will be made available for an
13 eligible cremation. The reimbursements under this section shall
14 take into consideration religious preferences that prohibit
15 cremation.

16 Sec. 614. The department shall report to the senate and house
17 of representatives appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies, and the senate and
19 house policy offices by January 15 of the current fiscal year on
20 the number and percentage of state disability assistance recipients
21 who were determined to be eligible for federal supplemental
22 security income benefits in the previous fiscal year.

23 Sec. 615. Except as required by federal law or regulations,
24 funds appropriated in part 1 shall not be used to provide public
25 assistance to a person who is an illegal alien. This section shall
26 not prohibit the department from entering into contracts with food
27 banks, emergency shelter providers, or other human services

1 agencies who may, as a normal part of doing business, provide food
2 or emergency shelter.

3 Sec. 616. The department shall require retailers that
4 participate in the electronic benefits transfer program to charge
5 no more than \$2.50 in fees for cash back as a condition of
6 participation.

7 Sec. 619. (1) Subject to subsection (2), the department shall
8 exempt from the denial of title IV-A assistance and food assistance
9 benefits under 21 USC 862a any individual who has been convicted of
10 a felony that included the possession, use, or distribution of a
11 controlled substance, after August 22, 1996, if the individual is
12 not in violation of his or her probation or parole requirements.
13 Benefits shall be provided to such individuals as follows:

14 (a) A third-party payee or vendor shall be required for any
15 cash benefits provided.

16 (b) An authorized representative shall be required for food
17 assistance receipt.

18 (2) Subject to federal approval, an individual is not entitled
19 to the exemption in this section if the individual was convicted in
20 2 or more separate cases of a felony that included the possession,
21 use, or distribution of a controlled substance after August 22,
22 1996.

23 Sec. 620. (1) The department shall make a determination of
24 Medicaid eligibility not later than 90 days if disability is an
25 eligibility factor. For all other Medicaid applicants, including
26 patients of a nursing home, the department shall make a
27 determination of Medicaid eligibility within 45 days of

1 application.

2 (2) The department shall report on a quarterly basis 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, the senate and house fiscal agencies, the senate
6 and house policy offices, and the state budget office on the
7 average Medicaid eligibility standard of promptness for each of the
8 required standards of promptness under subsection (1) and for
9 medical review team reviews achieved statewide and at each local
10 office.

11 Sec. 645. An individual or family is considered homeless, for
12 purposes of eligibility for state emergency relief, if living
13 temporarily with others in order to escape domestic violence. For
14 purposes of this section, domestic violence is defined and verified
15 in the same manner as in the department's policies on good cause
16 for not cooperating with child support and paternity requirements.

17 Sec. 650. The department shall apply the food assistance
18 eligibility requirements as prescribed in 7 CFR 273.24(a) to (d) on
19 a statewide basis for the fiscal year beginning October 1, 2017.

20 Sec. 651. (1) From the funds appropriated in part 1, the
21 department shall allocate up to \$1,500,000.00 to Michigan State
22 University (MSU) Extension for the Michigan corner store
23 initiative. Funds provided for the Michigan corner store initiative
24 shall be used to provide grants to small food retailers to increase
25 the availability and sales of fresh and nutritious food in low- and
26 moderate-income areas of the state. In determining qualified
27 projects to fund, the MSU Extension shall consider the level of

1 need in the area to be served. The MSU Extension shall report
2 annually to the department on the projects funded, the geographic
3 distribution of the projects, the costs of the program, and the
4 outcomes, including the number and type of jobs created and health
5 impacts associated with the program. The department shall provide
6 the annual report described in this section to the house and senate
7 appropriations subcommittees on the department budget, the house
8 and senate fiscal agencies, and the house and senate policy
9 offices. To qualify, grant applicants must do all of the following:

10 (a) Be a small food retailer.

11 (b) Be located in a low- or moderate-income area.

12 (c) Accept or agree to accept, as a condition of receiving
13 assistance, food assistance program benefits.

14 (d) Agree to apply to accept special supplemental nutrition
15 program for women, infants, and children (WIC) benefits and accept
16 WIC benefits, if eligible.

17 (e) Agree to abide by the conditions for receiving assistance.

18 (f) Collect and provide data and other information required by
19 the department and MSU Extension for monitoring, accountability,
20 and evaluation purposes.

21 (2) Grant money disbursed under the Michigan corner store
22 initiative may be used for the following purposes:

23 (a) Salary and associated costs of employees or contractors
24 providing education, advice, or other assistance on food safety and
25 handling, nutrition education, business operations, and promotion
26 to small food retailers.

27 (b) Refrigeration, display shelving, or other equipment for

1 small food retailers necessary for stocking healthy foods and fresh
2 produce, at a cost of less than \$5,000.00 per retailer.

3 (c) Materials and supplies for nutrition education and healthy
4 food promotion.

5 (d) Mini-grants to retailers of no more than \$100.00 per
6 retailer to meet initial expenses incurred with participation in
7 the program.

8 Sec. 653. From the funds appropriated in part 1 for food
9 assistance, an individual who is the victim of domestic violence
10 and does not qualify for any other exemption may be exempt from the
11 3-month in 36-month limit on receiving food assistance under 7 USC
12 2015. This exemption can be extended an additional 3 months upon
13 demonstration of continuing need.

14 Sec. 654. The department shall notify recipients of food
15 assistance program benefits that their benefits can be spent with
16 their bridge cards at many farmers' markets in the state. The
17 department shall also notify recipients about the Double Up Food
18 Bucks program that is administered by the Fair Food Network.
19 Recipients shall receive information about the Double Up Food Bucks
20 program, including information that when the recipient spends
21 \$20.00 at participating farmers' markets through the program, the
22 recipient can receive an additional \$20.00 to buy Michigan produce.

23 Sec. 655. Within 14 days after the spending plan for low-
24 income home energy assistance program is approved by the state
25 budget office, the department shall provide the spending plan,
26 including itemized projected expenditures, to the chairpersons of
27 the senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, the senate and house
2 policy offices, and the state budget office.

3 Sec. 660. From the funds appropriated in part 1 for Food Bank
4 Council of Michigan, the department is authorized to make
5 allocations of TANF funds only to the agencies that report
6 necessary data to the department for the purpose of meeting TANF
7 eligibility reporting requirements. The agencies that do not report
8 necessary data to the department for the purpose of meeting TANF
9 eligibility reporting requirements will not receive allocations in
10 excess of those received in fiscal year 2000. The use of TANF funds
11 under this section is not an ongoing commitment of funding.

12 Sec. 669. The department shall allocate \$7,170,000.00 for the
13 annual clothing allowance. The allowance shall be granted to all
14 eligible children in a family independence program group.

15 Sec. 672. (1) The department's office of inspector general
16 shall report to the senate and house of representatives
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, and the senate and house policy offices
19 by February 15 of the current fiscal year on department efforts to
20 reduce inappropriate use of Michigan bridge cards. The department
21 shall provide information on the number of recipients of services
22 who used their electronic benefit transfer card inappropriately and
23 the current status of each case, the number of recipients whose
24 benefits were revoked, whether permanently or temporarily, as a
25 result of inappropriate use, and the number of retailers that were
26 fined or removed from the electronic benefit transfer program for
27 permitting inappropriate use of the cards.

1 (2) As used in this section, "inappropriate use" means not
2 used to meet a family's ongoing basic needs, including food,
3 clothing, shelter, utilities, household goods, personal care items,
4 and general incidentals.

5 Sec. 677. (1) The department shall establish a state goal for
6 the percentage of family independence program cases involved in
7 employment activities. The percentage established shall not be less
8 than 50%. The goal for long-term employment shall be 15% of cases
9 for 6 months or more.

10 (2) On a quarterly basis, the department shall report to the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies and policy offices,
13 and the state budget director on the number of cases referred to
14 Partnership. Accountability. Training. Hope. (PATH), the current
15 percentage of family independence program cases involved in PATH
16 employment activities, an estimate of the current percentage of
17 family independence program cases that meet federal work
18 participation requirements on the whole, and an estimate of the
19 current percentage of the family independence program cases that
20 meet federal work participation requirements for those cases
21 referred to PATH.

22 (3) The department shall submit to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, the senate and house policy offices, and
25 the state budget office a quarterly report that includes all of the
26 following:

27 (a) The number and percentage of nonexempt family independence

1 program recipients who are employed.

2 (b) The average and range of wages of employed family
3 independence program recipients.

4 (c) The number and percentage of employed family independence
5 program recipients who remain employed for 6 months or more.

6 Sec. 686. (1) The department shall ensure that program policy
7 requires caseworkers to confirm that individuals presenting
8 personal identification issued by another state seeking assistance
9 through the family independence program, food assistance program,
10 state disability assistance program, or medical assistance program
11 are not receiving benefits from any other state.

12 (2) The department shall require caseworkers to confirm the
13 address provided by any individual seeking family independence
14 program benefits or state disability assistance benefits.

15 (3) The department shall prohibit individuals with property
16 assets assessed at a value higher than \$200,000.00 from accessing
17 assistance through department-administered programs, unless such a
18 prohibition would violate federal rules and guidelines.

19 (4) The department shall require caseworkers to obtain an up-
20 to-date telephone number during the eligibility determination or
21 redetermination process for individuals seeking medical assistance
22 benefits.

23 Sec. 687. (1) The department shall, on a quarterly basis by
24 February 1, May 1, August 1, and November 1, compile and make
25 available on its website all of the following information about the
26 family independence program, state disability assistance, the food
27 assistance program, Medicaid, and state emergency relief:

1 (a) The number of applications received.

2 (b) The number of applications approved.

3 (c) The number of applications denied.

4 (d) The number of applications pending and neither approved
5 nor denied.

6 (e) The number of cases opened.

7 (f) The number of cases closed.

8 (g) The number of cases at the beginning of the quarter and
9 the number of cases at the end of the quarter.

10 (2) The information provided under subsection (1) shall be
11 compiled and made available for the state as a whole and for each
12 county and reported separately for each program listed in
13 subsection (1).

14 (3) The department shall, on a quarterly basis by February 1,
15 May 1, August 1, and November 1, compile and make available on its
16 website the family independence program information listed as
17 follows:

18 (a) The number of new applicants who successfully met the
19 requirements of the 21-day assessment period for PATH.

20 (b) The number of new applicants who did not meet the
21 requirements of the 21-day assessment period for PATH.

22 (c) The number of cases sanctioned because of the school
23 truancy policy.

24 (d) The number of cases closed because of the 48-month and 60-
25 month lifetime limits.

26 (e) The number of first-, second-, and third-time sanctions.

27 (f) The number of children ages 0-5 living in FIP-sanctioned

1 households.

2 Sec. 688. From the funds appropriated in part 1 for the low-
3 income home energy assistance program, up to \$6,766,800.00 of
4 federal funding shall be allocated to provide an additional \$20.01
5 payment to food assistance program cases that are not currently
6 eligible for the standard utility allowance to enable these cases
7 to receive expanded food assistance benefits through the program
8 commonly known as the heat and eat program.

9 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

10 Sec. 706. Counties shall be subject to 50% chargeback for the
11 use of alternative regional detention services, if those detention
12 services do not fall under the basic provision of section 117e of
13 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
14 operates those detention services programs primarily with
15 professional rather than volunteer staff.

16 Sec. 707. In order to be reimbursed for child care fund
17 expenditures, counties are required to submit department-developed
18 reports to enable the department to document potential federally
19 claimable expenditures. This requirement is in accordance with the
20 reporting requirements specified in section 117a(7) of the social
21 welfare act, 1939 PA 280, MCL 400.117a.

22 Sec. 708. (1) As a condition of receiving funds appropriated
23 in part 1 for the child care fund line item, by December 15 of the
24 current fiscal year, counties shall have an approved service
25 spending plan for the current fiscal year. Counties must submit the
26 service spending plan to the department by October 1 of the current

1 fiscal year for approval. Upon submission of the county service
2 spending plan, the department shall approve within 30 calendar days
3 after receipt of a properly completed service plan that complies
4 with the requirements of the social welfare act, 1939 PA 280, MCL
5 400.1 to 400.119b. The department shall notify and submit county
6 service spending plan revisions to any county whose county service
7 spending plan is not accepted upon initial submission. The
8 department shall not request any additional revisions to a county
9 service spending plan outside of the requested revision
10 notification submitted to the county by the department. The
11 department shall notify a county within 30 days after approval that
12 its service plan was approved.

13 (2) The department shall submit a report to the house and
14 senate appropriations subcommittees on the department budget, the
15 house and senate fiscal agencies, the house and senate policy
16 offices, and the state budget office by February 15 of the current
17 fiscal year on the number of counties that fail to submit a service
18 spending plan by October 1 and the number of service spending plans
19 not approved by December 15. The report shall include the number of
20 county service spending plans that were not approved as first
21 submitted by the counties, as well as the number of plans that were
22 not approved by the department after being resubmitted by the
23 county with the first revisions that were requested by the
24 department.

25 Sec. 709. The department's master contract for juvenile
26 justice residential foster care services shall be amended to
27 prohibit contractors from denying a referral for placement of a

1 youth, or terminating a youth's placement, if the youth's assessed
2 treatment needs are in alignment with the facility's residential
3 program type, as identified by the court or the department. In
4 addition, the master contract shall require that youth placed in
5 juvenile justice residential foster care facilities must have
6 regularly scheduled treatment sessions with a licensed psychologist
7 or psychiatrist, or both, and access to the licensed psychologist
8 or psychiatrist as needed.

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, the
2 house and senate policy offices, and the state budget office on
3 efforts taken to improve the Michigan rehabilitation services. The
4 report shall include all of 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 an array of needed services throughout the rehabilitation
9 process.

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 contracts with agencies
11 that are able and eligible under federal law to provide the
12 required matching funds for federal funding, as determined by
13 federal statute and regulations.

14 (3) A contract for an assistance payments donated funds
15 position must include, but not be limited to, the following
16 performance metrics:

17 (a) Meeting a standard of promptness for processing
18 applications for Medicaid and other public assistance programs
19 under state law.

20 (b) Meeting required standards for error rates in determining
21 programmatic eligibility as determined by the department.

22 (4) The department shall only fill additional donated funds
23 positions after a new contract has been signed. That position shall
24 also be abolished when the contract expires or is terminated.

25 (5) The department shall classify as limited-term FTEs any new
26 employees who are hired to fulfill the donated funds position
27 contracts or are hired to fill any vacancies from employees who

1 transferred to a donated funds position.

2 (6) By March 1 of the current fiscal year, the department
3 shall submit a report to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies and policy offices, and the state budget office detailing
6 information on the donated funds positions, including the total
7 number of occupied positions, the total private contribution of the
8 positions, and the total cost to the state for any nonsalary
9 expenditure for the donated funds position employees.

10 Sec. 851. From the funds appropriated in part 1 for adult
11 services field staff, the department shall improve staffing ratios
12 in adult protective services programs with the goal of reducing the
13 number of older adults who are victims of crime and fraud. The
14 purpose of the staffing enhancement is to increase standard of
15 promptness by 90% or above in every county, as measured by
16 commencing an investigation within 24 hours, establishing face-to-
17 face contact with the client within 72 hours, and completing the
18 investigation within 30 days.

19 Sec. 852. The 29 additional FTE authorizations in part 1 added
20 to the public assistance field staff line item in the current
21 fiscal year shall be allocated to support the pathways to potential
22 program to provide additional staff in schools.

23 **BEHAVIORAL HEALTH SERVICES**

24 Sec. 901. Funds appropriated in part 1 are intended to support
25 a system of comprehensive community mental health services under
26 the full authority and responsibility of local CMHSPs or PIHPs in

1 accordance with the mental health code, 1974 PA 258, MCL 330.1001
2 to 330.2106, the Medicaid provider manual, federal Medicaid
3 waivers, and all other applicable federal and state laws.

4 Sec. 902. (1) From funds appropriated in part 1, final
5 authorizations to CMHSPs or PIHPs shall be made upon the execution
6 of contracts between the department and CMHSPs or PIHPs. The
7 contracts shall contain an approved plan and budget as well as
8 policies and procedures governing the obligations and
9 responsibilities of both parties to the contracts. Each contract
10 with a CMHSP or PIHP that the department is authorized to enter
11 into under this subsection shall include a provision that the
12 contract is not valid unless the total dollar obligation for all of
13 the contracts between the department and the CMHSPs or PIHPs
14 entered into under this subsection for the current fiscal year does
15 not exceed the amount of money appropriated in part 1 for the
16 contracts authorized under this subsection.

17 (2) The department shall immediately report to the senate and
18 house appropriations subcommittees on the department budget, the
19 senate and house fiscal agencies, and the state budget director if
20 either of the following occurs:

21 (a) Any new contracts the department has entered into with
22 CMHSPs or PIHPs that would affect rates or expenditures.

23 (b) Any amendments to contracts the department has entered
24 into with CMHSPs or PIHPs that would affect rates or expenditures.

25 (3) The report required by subsection (2) shall include
26 information about the changes and their effects on rates and
27 expenditures.

1 Sec. 904. (1) Not later than May 31 of the current fiscal
2 year, the department shall provide a report on the CMHSPs, PIHPs,
3 regional entities designated by the department as PIHPs, and
4 managing entities for substance use disorders to the members of the
5 house and senate appropriations subcommittees on the department
6 budget, the house and senate fiscal agencies, and the state budget
7 director that includes the information required by this section.

8 (2) The report shall contain information for each CMHSP, PIHP,
9 regional entity designated by the department as a PIHP, and
10 managing entity for substance use disorders and a statewide
11 summary, each of which shall include at least the following
12 information:

13 (a) A demographic description of service recipients that,
14 minimally, shall include reimbursement eligibility, client
15 population, age, ethnicity, housing arrangements, and diagnosis.

16 (b) Per capita expenditures in total and by client population
17 group and ethnic groups of the services area, including the deaf
18 and hard of hearing population.

19 (c) Expenditures stratified by department-designated community
20 mental health entity, by central diagnosis and referral agency, by
21 fund source, by subcontractor, by population served, and by service
22 type. Additionally, data on administrative expenditures by
23 department-designated community mental health entity shall be
24 reported.

25 (d) Expenditures per state client, with data on the
26 distribution of expenditures reported using a histogram approach.

27 (e) Number of services provided by central diagnosis and

1 referral agency, by subcontractor, and by service type.
2 Additionally, data on length of stay, referral source, and
3 participation in other state programs.

4 (f) Collections from other first- or third-party payers,
5 private donations, or other state or local programs, by department-
6 designated community mental health entity, by subcontractor, by
7 population served, and by service type.

8 (g) Data describing service outcomes that include, but are not
9 limited to, an evaluation of consumer satisfaction, consumer
10 choice, and quality of life concerns including, but not limited to,
11 housing and employment.

12 (h) Information about access to CMHSPs that includes, but is
13 not limited to, the following:

14 (i) The number of people receiving requested services.

15 (ii) The number of people who requested services but did not
16 receive services.

17 (iii) The number of second opinions requested under the code
18 and the determination of any appeals.

19 (i) Lapses and carryforwards during the immediately preceding
20 fiscal year for CMHSPs, PIHPs, regional entities designated by the
21 department as PIHPs, and managing entities for substance use
22 disorders.

23 (j) Performance indicator information required to be submitted
24 to the department in the contracts with CMHSPs, PIHPs, regional
25 entities designated by the department as PIHPs, and managing
26 entities for substance use disorders.

27 (k) Administrative expenditures of each CMHSP, PIHP, regional

1 entity designated by the department as a PIHP, and managing entity
2 for substance use disorders that includes a breakout of the salary,
3 benefits, and pension of each executive level staff and shall
4 include the director, chief executive, and chief operating officers
5 and other members identified as executive staff.

6 (3) The department shall include data reporting requirements
7 listed in subsection (2) in the annual contract with each
8 individual CMHSP, PIHP, regional entity designated by the
9 department as a PIHP, and managing entity for substance use
10 disorders.

11 (4) The department shall take all reasonable actions to ensure
12 that the data required are complete and consistent among all
13 CMHSPs, PIHPs, regional entities designated by the department as
14 PIHPs, and managing entities for substance use disorders.

15 Sec. 905. (1) From the funds appropriated in part 1 for
16 behavioral health program administration, the department shall
17 maintain a psychiatric transitional unit and children's behavioral
18 action team. These services will augment the continuum of
19 behavioral health services for high-need youth and provide
20 additional continuity of care and transition into supportive
21 community-based services.

22 (2) Outcomes and performance measures for this initiative
23 include, but are not limited to, the following:

24 (a) The rate of rehospitalization for youth served through the
25 program at 30 and 180 days.

26 (b) Measured change in the Child and Adolescent Functional
27 Assessment Scale for children served through the program.

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. 909. From the funds appropriated in part 1 for community
2 substance use disorder prevention, education, and treatment, the
3 department shall use available revenue from the marihuana
4 regulatory fund established in section 604 of the medical marihuana
5 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
6 physical health; expand access to substance use disorder prevention
7 and treatment services; and strengthen the existing prevention,
8 treatment, and recovery systems.

9 Sec. 910. The department shall ensure that substance use
10 disorder treatment is provided to applicants and recipients of
11 public assistance through the department who are required to obtain
12 substance use disorder treatment as a condition of eligibility for
13 public assistance.

14 Sec. 911. (1) The department shall ensure that each contract
15 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
16 programs to encourage diversion of individuals with serious mental
17 illness, serious emotional disturbance, or developmental disability
18 from possible jail incarceration when appropriate.

19 (2) Each CMHSP or PIHP shall have jail diversion services and
20 shall work toward establishing working relationships with
21 representative staff of local law enforcement agencies, including
22 county prosecutors' offices, county sheriffs' offices, county
23 jails, municipal police agencies, municipal detention facilities,
24 and the courts. Written interagency agreements describing what
25 services each participating agency is prepared to commit to the
26 local jail diversion effort and the procedures to be used by local
27 law enforcement agencies to access mental health jail diversion

1 services are strongly encouraged.

2 Sec. 912. The department shall contract directly with the
3 Salvation Army harbor light program to provide non-Medicaid
4 substance use disorder services if the local coordinating agency or
5 the department confirms the Salvation Army harbor light program
6 meets the standard of care. The standard of care shall include, but
7 is not limited to, utilization of the medication assisted treatment
8 option.

9 Sec. 918. On or before the twenty-fifth of each month, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, and the state budget director on the amount of funding
13 paid to PIHPs to support the Medicaid managed mental health care
14 program in the preceding month. The information shall include the
15 total paid to each PIHP, per capita rate paid for each eligibility
16 group for each PIHP, and number of cases in each eligibility group
17 for each PIHP, and year-to-date summary of eligibles and
18 expenditures for the Medicaid managed mental health care program.

19 Sec. 920. As part of the Medicaid rate-setting process for
20 behavioral health services, the department shall work with PIHP
21 network providers and actuaries to include any state and federal
22 wage and compensation increases that directly impact staff who
23 provide Medicaid-funded community living supports, personal care
24 services, respite services, skill-building services, and other
25 similar supports and services as part of the Medicaid rate.

26 Sec. 928. (1) Each PIHP shall provide, from internal
27 resources, local funds to be used as a part of the state match

1 required under the Medicaid program in order to increase capitation
2 rates for PIHPs. These funds shall not include either state funds
3 received by a CMHSP for services provided to non-Medicaid
4 recipients or the state matching portion of the Medicaid capitation
5 payments made to a PIHP.

6 (2) It is the intent of the legislature that any funds that
7 lapse from the funds appropriated in part 1 for Medicaid mental
8 health services shall be redistributed to individual CMHSPs as a
9 reimbursement of local funds on a proportional basis to those
10 CMHSPs whose local funds were used as state Medicaid match. By
11 April 1 of the current fiscal year, the department shall report to
12 the senate and house appropriations subcommittees on the department
13 budget, the senate and house fiscal agencies, the senate and house
14 policy offices, and the state budget office on the lapse by PIHP
15 from the previous fiscal year and the projected lapse by PIHP in
16 the current fiscal year.

17 Sec. 935. A county required under the provisions of the mental
18 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
19 matching funds to a CMHSP for mental health services rendered to
20 residents in its jurisdiction shall pay the matching funds in equal
21 installments on not less than a quarterly basis throughout the
22 fiscal year, with the first payment being made by October 1 of the
23 current fiscal year.

24 Sec. 940. (1) According to section 236 of the mental health
25 code, 1974 PA 258, MCL 330.1236, the department shall do both of
26 the following:

27 (a) Review expenditures for each CMHSP to identify CMHSPs with

1 projected allocation surpluses and to identify CMHSPs with
2 projected allocation shortfalls. The department shall encourage the
3 board of a CMHSP with a projected allocation surplus to concur with
4 the department's recommendation to reallocate those funds to CMHSPs
5 with projected allocation shortfalls.

6 (b) Withdraw unspent funds that have been allocated to a CMHSP
7 if other reallocated funds were expended in a manner not provided
8 for in the approved contract, including expending funds on services
9 and programs provided to individuals residing outside of the
10 CMHSP's geographic region.

11 (2) A CMHSP that has its funding allocation transferred out or
12 withdrawn during the current fiscal year as described in subsection
13 (1) is not eligible for any additional funding reallocations during
14 the remainder of the current fiscal year, unless that CMHSP is
15 responding to a public health emergency as determined by the
16 department.

17 (3) CMHSPs shall report to the department on any proposed
18 reallocations described in this section at least 30 days before any
19 reallocations take effect.

20 (4) The department shall notify the chairs of the
21 appropriation subcommittees on the department budget when a request
22 is made and when the department grants approval for reallocation or
23 withdraw as described in subsection (1). By September 30 of the
24 current fiscal year, the department shall provide a report on the
25 amount of funding reallocated or withdrawn to the senate and house
26 appropriation subcommittees on the department budget, the senate
27 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office.

2 Sec. 942. A CMHSP shall provide at least 30 days' notice
3 before reducing, terminating, or suspending services provided by a
4 CMHSP to CMHSP clients, with the exception of services authorized
5 by a physician that no longer meet established criteria for medical
6 necessity.

7 Sec. 958. Medicaid services shall include treatment for autism
8 spectrum disorders as defined in the federally approved Medicaid
9 state plan. These services may be coordinated with the Medicaid
10 health plans and the Michigan Association of Health Plans.

11 Sec. 994. (1) By January 1 of the current fiscal year, the
12 department shall seek federal approval through either a waiver
13 request or state plan amendment to allow a CMHSP, PIHP, or
14 subcontracting provider agency that is reviewed and accredited by a
15 national accrediting entity for behavioral health care services to
16 be considered in compliance with state program review and audit
17 requirements that are addressed and reviewed by that national
18 accrediting entity.

19 (2) By April 1 of the current fiscal year, the department
20 shall report to the house and senate appropriations subcommittees
21 on the department budget, the house and senate fiscal agencies, and
22 the state budget office all of the following:

23 (a) The status of the federal approval process required in
24 subsection (1).

25 (b) A list of each CMHSP, PIHP, and subcontracting provider
26 agency that is considered to be in compliance with state program
27 review and audit requirements under subsection (1).

1 (c) For each CMHSP, PIHP, or subcontracting provider agency
2 described in subdivision (b), both of the following:

3 (i) The state program review and audit requirements that the
4 CMHSP, PIHP, or subcontracting provider agency is considered to be
5 in compliance with.

6 (ii) The national accrediting entity that reviewed and
7 accredited the CMHSP, PIHP, or subcontracting provider agency.

8 (3) The department shall continue to comply with state and
9 federal law and shall not initiate an action that negatively
10 impacts beneficiary safety. Any cost savings attributed to this
11 action shall be reinvested back into services.

12 (4) As used in this section, "national accrediting entity"
13 means the Joint Commission, formerly known as the Joint Commission
14 on Accreditation of Healthcare Organizations, the Commission on
15 Accreditation of Rehabilitation Facilities, the Council on
16 Accreditation, the URAC, formerly known as the Utilization Review
17 Accreditation Commission, the National Committee for Quality
18 Assurance, or another appropriate entity, as approved by the
19 department.

20 Sec. 995. From the funds appropriated in part 1 for behavioral
21 health program administration, \$4,350,000.00 is intended to address
22 the recommendations of the mental health diversion council.

23 Sec. 998. For distribution of state general funds to CMHSPs,
24 if the department decides to use census data, the department shall
25 use the most recent federal census data available.

26 Sec. 1003. The department shall notify the Michigan
27 Association of Community Mental Health Boards when developing

1 policies and procedures that will impact PIHPs or CMHSPs.

2 Sec. 1004. The department shall provide the senate and house
3 appropriations subcommittee on the department budget, the senate
4 and house fiscal agencies, and the state budget office any rebased
5 formula changes to either Medicaid behavioral health services or
6 non-Medicaid mental health services 90 days before implementation.
7 The notification shall include a table showing the changes in
8 funding allocation by PIHP for Medicaid behavioral health services
9 or by CMHSP for non-Medicaid mental health services.

10 Sec. 1005. For the purposes of special projects involving
11 high-need children or adults, including the not guilty by reason of
12 insanity population, the department may contract directly with
13 providers of services to these identified populations.

14 Sec. 1008. The PIHP and CMHSPs shall do all of the following:

15 (a) Work to reduce administration costs by ensuring that PIHP
16 responsible functions are efficient to allow optimal transition of
17 dollars to direct services. This process must include limiting
18 duplicate layers of administration and minimizing PIHP-delegated
19 services that may result in higher costs or inconsistent service
20 delivery, or both.

21 (b) Take an active role in managing mental health care by
22 ensuring consistent and high-quality service delivery throughout
23 its network and promote a conflict-free care management
24 environment.

25 (c) Ensure that direct service rate variances are related to
26 the level of need or other quantifiable measures to ensure that the
27 most money possible reaches direct services.

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(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1009. From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall allocate up to \$22,500,000.00 to increase hourly wages by \$0.25 for direct care workers providing Medicaid behavioral health supports and services. The department shall contractually mandate these funds be fully passed through to agencies directly responsible for paying the direct care workers' wages and shall contractually mandate that the agencies provide the department with ending wages at the end of the previous fiscal year and the new increased wages provided in the current fiscal year. The purpose of this allocation is to increase access to direct care services as reported in CMHSP sub-element cost reports, to reduce the turnover rate among direct care workers, and to improve the quality of direct care workers providing Medicaid behavioral health supports and services.

Sec. 1010. From the funds appropriated in part 1 for behavioral health program administration, up to \$2,000,000.00 shall be allocated to address the implementation of court-ordered assisted outpatient treatment as provided under chapter 4 of the mental health code, 1974 PA 258, MCL 330.1400 to 330.1491.

[Sec. 1011. From available funds available in part 1 through the state targeted response to the opioid crisis grant, the department shall provide \$850,000.00 for the development of a genomic based demonstration program to predict opioid response and abuse and analyze cost savings to the state Medicaid population. The demonstration program shall be operated by Kalamazoo Community Mental Health and Substance Abuse Services and shall identify relevant biomarkers that predict risk of opioid abuse and overdose by analyzing test results from the Kalamazoo Medicaid population served by the Kalamazoo Community Mental Health and Substance Abuse Services. The demonstration program shall utilize a custom screening panel developed by a Michigan based genomics lab that is certified under the clinical laboratory improvement amendments of 1988, Public Law 100-578. The Kalamazoo Community Mental Health and Substance Abuse Services will analyze data and compile results relating to relevant biomarkers, their impact on cost to the Medicaid population in the demonstration program, and present a final report to the department, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies by June 1 of the current fiscal year.]

Sec. 1012. By September 30 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office addressing the challenge of meeting monthly

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deductible requirements in the Medicaid program and establish policy recommendations. The report shall include, but not be limited to, all of the following items:

(a) The average number of individuals who do not meet their monthly Medicaid deductibles in this state each year.

(b) How the reduction in general fund investment to CMHSPs for non-Medicaid services has played a role in the inability of many individuals to meet their spenddown.

(c) What currently counts as the protected income level and how that compares to other states.

(d) An action plan for implementation of any proposed changes.

(e) An estimate of the costs that may be incurred from adoption of recommendations included in the report.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected

1 completion date for the use of gifts and bequests donations is
2 within 3 years unless otherwise stipulated by the donor.

3 Sec. 1055. (1) The department shall not implement any closures
4 or consolidations of state hospitals, centers, or agencies until
5 CMHSPs or PIHPs have programs and services in place for those
6 individuals currently in those facilities and a plan for service
7 provision for those individuals who would have been admitted to
8 those facilities.

9 (2) All closures or consolidations are dependent upon adequate
10 department-approved CMHSP and PIHP plans that include a discharge
11 and aftercare plan for each individual currently in the facility. A
12 discharge and aftercare plan shall address the individual's housing
13 needs. A homeless shelter or similar temporary shelter arrangements
14 are inadequate to meet the individual's housing needs.

15 (3) Four months after the certification of closure required in
16 section 19(6) of the state employees' retirement act, 1943 PA 240,
17 MCL 38.19, the department shall provide a closure plan to the house
18 and senate appropriations subcommittees on the department budget
19 and the state budget director.

20 (4) Upon the closure of state-run operations and after
21 transitional costs have been paid, the remaining balances of funds
22 appropriated for that operation shall be transferred to CMHSPs or
23 PIHPs responsible for providing services for individuals previously
24 served by the operations.

25 Sec. 1056. The department may collect revenue for patient
26 reimbursement from first- and third-party payers, including
27 Medicaid and local county CMHSP payers, to cover the cost of

1 placement in state hospitals and centers. The department is
2 authorized to adjust financing sources for patient reimbursement
3 based on actual revenues earned. If the revenue collected exceeds
4 current year expenditures, the revenue may be carried forward with
5 approval of the state budget director. The revenue carried forward
6 shall be used as a first source of funds in the subsequent year.

7 Sec. 1057. The department shall work with the department of
8 technology, management, and budget to evaluate the condition of the
9 Hawthorn Center, the cost-effectiveness of improvements and
10 investments and make recommendations to improve the quality of the
11 facility needed by the patients.

12 Sec. 1058. Effective October 1 of the current fiscal year, the
13 department, in consultation with the department of technology,
14 management, and budget, may maintain a bid process to identify 1 or
15 more private contractors to provide food service and custodial
16 services for the administrative areas at any state hospital
17 identified by the department as capable of generating savings
18 through the outsourcing of such services.

19 Sec. 1059. The department shall identify specific outcomes and
20 performance measures for the center for forensic psychiatry,
21 including, but not limited to, the following:

22 (a) The average wait time for persons ruled incompetent to
23 stand trial before admission to the center for forensic psychiatry.

24 (b) The average wait time for persons ruled incompetent to
25 stand trial before admission to other state-operated psychiatric
26 facilities.

27 (c) The number of persons waiting to receive services at the

1 center for forensic psychiatry.

2 (d) The number of persons waiting to receive services at other
3 state-operated hospitals and centers.

4 Sec. 1060. (1) The department shall convene a workgroup in
5 collaboration with labor union representation, civil service, and
6 any other appropriate parties to recommend solutions to address
7 mandatory overtime, staff turnover, and staff retention at the
8 state psychiatric hospitals and centers, including, but not limited
9 to, permitting retired workers to return and permitting hiring of
10 part-time workers.

11 (2) By March 1 of the current fiscal year, the department
12 shall provide the workgroup's recommendations to the senate and
13 house appropriations subcommittees on the department budget, the
14 senate and house fiscal agencies, and the state budget office.

15 **HEALTH POLICY**

16 Sec. 1140. From the funds appropriated in part 1 for primary
17 care services, \$250,000.00 shall be allocated to free health
18 clinics operating in the state. The department shall distribute the
19 funds equally to each free health clinic. For the purpose of this
20 appropriation, "free health clinics" means nonprofit organizations
21 that use volunteer health professionals to provide care to
22 uninsured individuals.

23 Sec. 1142. The department shall continue to seek means to
24 increase retention of Michigan medical school students for
25 completion of their primary care residency requirements within this
26 state and ultimately, for some period of time, to remain in this

1 state and serve as primary care physicians. The department is
2 encouraged to work with Michigan institutions of higher education.

3 Sec. 1144. (1) From the funds appropriated in part 1 for
4 health policy administration, the department shall allocate the
5 federal state innovation model grant funding that supports
6 implementation of the health delivery system innovations detailed
7 in this state's "Reinventing Michigan's Health Care System:
8 Blueprint for Health Innovation" document. This initiative will
9 test new payment methodologies, support improved population health
10 outcomes, and support improved infrastructure for technology and
11 data sharing and reporting. The funds will be used to provide
12 financial support directly to regions participating in the model
13 test and to support statewide stakeholder guidance and technical
14 support.

15 (2) Outcomes and performance measures for the initiative under
16 subsection (1) include, but are not limited to, the following:

17 (a) Increasing the number of physician practices fulfilling
18 patient-centered medical home functions.

19 (b) Reducing inappropriate health utilization, specifically
20 reducing preventable emergency department visits, reducing the
21 proportion of hospitalizations for ambulatory sensitive conditions,
22 and reducing this state's 30-day hospital readmission rate.

23 (3) By March 1 and September 1 of the current fiscal year, the
24 department shall submit a written report to the house and senate
25 appropriations subcommittees on the department budget, the house
26 and senate fiscal agencies, and the state budget office on the
27 status of the program and progress made since the prior report.

1 (4) From the funds appropriated in part 1 for health policy
2 administration, any data aggregator created as part of the
3 allocation of the federal state innovation model grant funds must
4 meet the following standards:

5 (a) The primary purpose of the data aggregator must be to
6 increase the quality of health care delivered in this state, while
7 reducing costs.

8 (b) The data aggregator must be governed by a nonprofit
9 entity.

10 (c) All decisions regarding the establishment, administration,
11 and modification of the database must be made by an advisory board.
12 The membership of the advisory board must include the director of
13 the department or a designee of the director and representatives of
14 health carriers, consumers, and purchasers.

15 (d) The data aggregator must receive health care claims
16 information from, without limitation, commercial health carriers,
17 nonprofit health care corporations, health maintenance
18 organizations, and third party administrators that process claims
19 under a service contract.

20 (e) The data aggregator must use existing data sources and
21 technological infrastructure, to the extent possible.

22 Sec. 1145. The department will take steps necessary to work
23 with Indian Health Service, Tribal or Urban Indian Health Program
24 facilities that provide services under a contract with a Medicaid
25 managed care entity to ensure that those facilities receive the
26 maximum amount allowable under federal law for Medicaid services.

27 Sec. 1147. (1) From the funds appropriated in part 1 for

1 primary care services, \$1,000,000.00 shall be appropriated for the
2 first year of a 6-year early primary care pilot program to
3 facilitate the placement of physicians in medically underserved
4 areas of this state. The early primary care pilot program format
5 includes all of the following:

6 (a) Recruitment of interested physicians before completion of
7 first year of residency.

8 (b) To participate in the pilot program, a physician must do
9 all of the following:

10 (i) Complete 1 year of post-graduate education.

11 (ii) Complete and pass all 3 parts of a national licensing
12 board examination.

13 (iii) Obtain an unrestricted license to engage in the practice
14 of osteopathic medicine and surgery or an unrestricted license to
15 engage in the practice of medicine in this state.

16 (c) A participating physician shall enter into a contract to
17 work with an employer for no less than 2 years in a federally
18 underserved rural or urban area in this state, beginning the year
19 following completion of 1 year of post-graduate education.

20 (d) The employer shall employ the physician at a competitive
21 salary. A contractual employer may include, but is not limited to,
22 a private practice physician or physician group, a hospital or
23 hospital system, a community clinic, or a federally qualified
24 health center.

25 (e) Assistance with repayment of medical education loans of
26 the participating physician shall be provided through local, state,
27 federal, or other sources during the employment period, with a

1 target assistance amount of \$50,000.00 over 2 years.

2 (f) Upon completion of the 2-year employment period,
3 participating physicians may reenter and complete a post-graduate
4 residency program.

5 (2) The department shall seek philanthropic support for the
6 early primary care pilot program to achieve increased participation
7 and may use state funds to match philanthropic contributions.

8 (3) A portion of the funds appropriated for the early primary
9 care pilot program shall be allocated to the Michigan Health
10 Council to partner with the department in the administration of the
11 early primary care pilot program.

12 (4) Use of funds for administration of the early primary care
13 pilot program is limited to no more than 10% of the total of all
14 sources of funding.

15 (5) The department shall prepare a report on the status of the
16 early primary care pilot program that shall include, but is not
17 limited to, the number of physicians placed, location of placement,
18 type of employer, average student loan burden of the participating
19 physicians, and average loan relief provided under the program. By
20 April 1 of the current fiscal year, the department shall provide
21 the report described in this subsection to the house and senate
22 appropriations subcommittees on the department budget, the house
23 and senate fiscal agencies and policy offices, and the state budget
24 office.

25 (6) Unexpended and unencumbered funds up to a maximum of
26 \$1,000,000.00 general fund/general purpose revenue in part 1 for
27 primary care services are designated as work project

1 appropriations, 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 the early primary care pilot program under this
4 section until the project has been completed. All of the following
5 are in compliance with section 451a of the management and budget
6 act, 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the work project is to fund the cost of an
8 early primary care program as provided by this section.

9 (b) The work project will be accomplished by administering the
10 partnering of participating physicians with qualifying employers
11 and coordinating the negotiation of medical school loan repayment
12 assistance for the participating physician.

13 (c) The total estimated cost of the work project is
14 \$1,000,000.00 of general fund/general purpose revenue.

15 (d) The tentative completion date of the work project is
16 September 30, 2022.

17 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

18 Sec. 1180. From the funds appropriated in part 1 for
19 epidemiology administration and for childhood lead program, the
20 department shall reestablish a public health drinking water unit
21 and enhance current efforts to monitor child blood lead levels. The
22 public health drinking water unit shall ensure that appropriate
23 investigations of potential health hazards occur for all community
24 and noncommunity drinking water supplies where chemical exceedances
25 of action levels, health advisory levels, or maximum contaminant
26 limits are identified. With the fiscal year 2017-2018 increase in

1 funding, the childhood lead program shall improve the timeliness
2 and quality of care provided to children with lead exposure, to
3 achieve a long-term reduction in the percentage of children in this
4 state with elevated blood lead levels.

5 Sec. 1181. From the funds appropriated in part 1 for
6 epidemiology administration, the department shall establish and
7 maintain a vapor intrusion response unit. The vapor intrusion
8 response unit shall assess risks to public health at vapor
9 intrusion sites and respond to vapor intrusion risks where
10 appropriate. The goals of the vapor intrusion response unit shall
11 include reducing the number of residents of this state exposed to
12 toxic substances through vapor intrusion and improving health
13 outcomes for individuals that are identified as having been exposed
14 to vapor intrusion.

15 Sec. 1182. (1) From the funds appropriated in part 1 for the
16 healthy homes program, no less than \$1,750,000.00 of general
17 fund/general purpose funds and \$25,230,000.00 of federal funds
18 shall be allocated for lead abatement of homes.

19 (2) By January 1 of the current fiscal year, the department
20 shall provide a report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget office on the expenditures and
23 activities undertaken by the lead abatement program in the previous
24 fiscal year from the funds appropriated in part 1 for the healthy
25 homes program. The report shall include, but is not limited to, a
26 funding allocation schedule, expenditures by category of
27 expenditure and by subcontractor, revenues received, description of

1 program elements, and description of program accomplishments and
2 progress.

3 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

4 Sec. 1220. The amount appropriated in part 1 for
5 implementation of the 1993 additions of or amendments to sections
6 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
7 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
8 333.17015, and 333.17515, shall be used to reimburse local health
9 departments for costs incurred related to implementation of section
10 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

11 Sec. 1221. If a county that has participated in a district
12 health department or an associated arrangement with other local
13 health departments takes action to cease to participate in such an
14 arrangement after October 1 of the current fiscal year, the
15 department shall have the authority to assess a penalty from the
16 local health department's operational accounts in an amount equal
17 to no more than 6.25% of the local health department's essential
18 local public health services funding. This penalty shall only be
19 assessed to the local county that requests the dissolution of the
20 health department.

21 Sec. 1222. (1) Funds appropriated in part 1 for essential
22 local public health services shall be prospectively allocated to
23 local health departments to support immunizations, infectious
24 disease control, sexually transmitted disease control and
25 prevention, hearing screening, vision services, food protection,
26 public water supply, private groundwater supply, and on-site sewage

1 management. Food protection shall be provided in consultation with
2 the department of agriculture and rural development. Public water
3 supply, private groundwater supply, and on-site sewage management
4 shall be provided in consultation with the department of
5 environmental quality.

6 (2) Local public health departments shall be held to
7 contractual standards for the services in subsection (1).

8 (3) Distributions in subsection (1) shall be made only to
9 counties that maintain local spending in the current fiscal year of
10 at least the amount expended in fiscal year 1992-1993 for the
11 services described in subsection (1).

12 (4) By December 1 of the current fiscal year, the department
13 shall provide a report to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, and the state budget director on the planned allocation
16 of the funds appropriated for essential local public health
17 services.

18 Sec. 1223. (1) From the funds appropriated in part 1 for
19 dental programs, \$150,000.00 shall be allocated to the Michigan
20 Dental Association for the administration of a volunteer dental
21 program that provides dental services to the uninsured.

22 (2) Not later than December 1 of the current fiscal year, the
23 department shall report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house
25 standing committees on health policy, the senate and house fiscal
26 agencies, and the state budget office the number of individual
27 patients treated, number of procedures performed, and approximate

1 total market value of those procedures from the immediately
2 preceding fiscal year.

3 Sec. 1224. The department shall use revenue from mobile
4 dentistry facility permit fees received under section 21605 of the
5 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
6 of the permit program.

7 Sec. 1226. From the funds appropriated in part 1 for health
8 and wellness initiatives, \$1,000,000.00 shall be allocated for a
9 school children's healthy exercise program to promote and advance
10 physical health for school children in kindergarten through grade
11 8. The department shall recommend model programs for sites to
12 implement that incorporate evidence-based best practices. The
13 department shall grant no less than 1/2 of the funds appropriated
14 in part 1 for before- and after-school programs. The department
15 shall establish guidelines for program sites, which may include
16 schools, community-based organizations, private facilities,
17 recreation centers, or other similar sites. The program format
18 shall encourage local determination of site activities and shall
19 encourage local inclusion of youth in the decision-making regarding
20 site activities. Program goals shall include children experiencing
21 improved physical health and access to physical activity
22 opportunities, the reduction of obesity, providing a safe place to
23 play and exercise, and nutrition education. To be eligible to
24 participate, program sites shall provide a 20% match to the state
25 funding, which may be provided in full, or in part, by a
26 corporation, foundation, or private partner. The department shall
27 seek financial support from corporate, foundation, or other private

1 partners for the program or for individual program sites.

2 Sec. 1227. The department shall establish criteria for all
3 funds allocated under part 1 for health and wellness initiatives.
4 The criteria must include a requirement that all programs funded be
5 evidence-based and supported by research, include interventions
6 that have been shown to demonstrate outcomes that lower cost and
7 improve quality, and be designed for statewide impact. Preference
8 must be given to programs that utilize the funding as match for
9 additional resources including, but not limited to, federal
10 sources.

11 Sec. 1228. From the funds appropriated in part 1 for injury
12 control intervention project, \$1,000,000.00 shall be allocated for
13 implementation of evidence-based, real-time, quality assurance
14 decision support software in the treatment of pediatric traumatic
15 brain injury and for protocols that are to be available to all
16 hospitals providing those trauma services. The funds shall be used
17 to purchase statewide licenses for pediatric traumatic brain injury
18 treatment software and related software services and to offset
19 hospital software integration costs. The department shall seek
20 federal matching funds that may be available for implementation of
21 this section.

22 Sec. 1230. The department shall develop and implement a
23 school-based pilot program for children up to grade 7 that may
24 include, but is not limited to, oral health assessments, primary
25 dental services, and referrals. The department shall consult with
26 the department of education in the development of the school-based
27 pilot program, and seek partnerships with local entities, and

dental and philanthropic organizations to carry out the program. The school-based pilot program shall track the number of children offered and receiving services at the school sites. Program goals shall include improving oral and physical health outcomes for children, improving rates of children receiving dental sealants, and reduction of rates of childhood tooth decay.

FAMILY, MATERNAL, AND CHILD HEALTH

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less,

1 including those entities if located within a metropolitan
2 statistical area.

3 Sec. 1302. Each family planning program receiving federal
4 title X family planning funds under 42 USC 300 to 300a-8 shall be
5 in compliance with all performance and quality assurance indicators
6 that the office of population affairs within the United States
7 Department of Health and Human Services specifies in the program
8 guidelines for project grants for family planning services. An
9 agency not in compliance with the indicators shall not receive
10 supplemental or reallocated funds.

11 Sec. 1303. The department shall not contract with an
12 organization that provides elective abortions, abortion counseling,
13 or abortion referrals, for services that are to be funded with
14 state restricted or state general fund/general purpose funds
15 appropriated in part 1 for family planning local agreements. An
16 organization under contract with the department shall not
17 subcontract with an organization that provides elective abortions,
18 abortion counseling, or abortion referrals, for services that are
19 to be funded with state restricted or state general fund/general
20 purpose funds appropriated in part 1 for family planning local
21 agreements.

22 Sec. 1304. The department shall not use state restricted funds
23 or state general funds appropriated in part 1 in the pregnancy
24 prevention program or family planning local agreements
25 appropriation line items for abortion counseling, referrals, or
26 services.

27 Sec. 1307. From the funds appropriated in part 1 for prenatal

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1 care outreach and service delivery support, [\$700,000.00] of TANF
2 revenue shall be allocated for a pregnancy and parenting support
3 services program, which program must promote childbirth,
4 alternatives to abortion, and grief counseling. The department
5 shall establish a program with a qualified contractor that will
6 contract with qualified service providers to provide free
7 counseling, support, and referral services to eligible women during
8 pregnancy through 12 months after birth. As appropriate, the goals
9 for client outcomes shall include an increase in client support, an
10 increase in childbirth choice, an increase in adoption knowledge,
11 an improvement in parenting skills, and improved reproductive
12 health through abstinence education. The contractor of the program
13 shall provide for program training, client educational material,
14 program marketing, and annual service provider site monitoring. The
15 department shall submit a report to the house and senate
16 appropriations subcommittees on the department budget and the house
17 and senate fiscal agencies by April 1 of the current fiscal year on
18 the number of clients served.

19 Sec. 1308. From the funds appropriated in part 1 for prenatal
20 care outreach and service delivery support, not less than
21 \$500,000.00 of funding shall be allocated for evidence-based
22 programs to reduce infant mortality including nurse family
23 partnership programs. The funds shall be used for enhanced support
24 and education to nursing teams or other teams of qualified health
25 professionals, client recruitment in areas designated as
26 underserved for obstetrical and gynecological services and other
27 high-need communities, strategic planning to expand and sustain

1 programs, and marketing and communications of programs to raise
2 awareness, engage stakeholders, and recruit nurses.

3 Sec. 1309. The department shall allocate funds appropriated in
4 section 117 of part 1 for family, maternal, and child health
5 according to section 1 of 2002 PA 360, MCL 333.1091.

6 Sec. 1310. The department shall continue to work jointly with
7 the Michigan state housing development authority and the joint task
8 force established under article IV of 2014 PA 252 to review housing
9 rehabilitation, energy and weatherization, and hazard abatement
10 program policies and to make recommendations for integrating and
11 coordinating project delivery with the goals of serving more
12 families and achieving better outcomes by maximizing state and
13 federal resources. The joint task force may provide recommendations
14 to the department. Recommendations of the joint task force must
15 give consideration to best practices and cost effectiveness.

16 Sec. 1311. From the funds appropriated in part 1 for prenatal
17 care outreach and service delivery support, equal consideration
18 shall be given to all eligible evidence-based providers in all
19 regions in contracting for rural home visitation services.

20 Sec. 1313. (1) The department shall continue developing an
21 outreach program on fetal alcohol syndrome services, targeting
22 health promotion, prevention, and intervention as described in the
23 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

24 (2) The department shall explore federal grant funding to
25 address prevention services for fetal alcohol syndrome and reduce
26 alcohol consumption among pregnant women.

27 Sec. 1314. The department shall enhance education and outreach

1 efforts that encourage women of childbearing age to seek
2 confirmation at the earliest indication of possible pregnancy and
3 initiate continuous and routine prenatal care upon confirmation of
4 pregnancy. The department shall ensure that department programs,
5 policies, and practices promote prenatal and obstetrical care by
6 doing the following:

7 (a) Supporting access to care.

8 (b) Reducing and eliminating barriers to care.

9 (c) Supporting recommendations for best practices.

10 (d) Encouraging optimal prenatal habits such as prenatal
11 medical visits, use of prenatal vitamins, and cessation of use of
12 tobacco, alcohol, or drugs.

13 (e) Tracking of birth outcomes to study improvements in
14 prevalence of fetal drug addiction, fetal alcohol syndrome, and
15 other preventable neonatal disease.

16 (f) Tracking of maternal increase in healthy behaviors
17 following childbirth.

18 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

19 Sec. 1360. The department may do 1 or more of the following:

20 (a) Provide special formula for eligible clients with
21 specified metabolic and allergic disorders.

22 (b) Provide medical care and treatment to eligible patients
23 with cystic fibrosis who are 21 years of age or older.

24 (c) Provide medical care and treatment to eligible patients
25 with hereditary coagulation defects, commonly known as hemophilia,
26 who are 21 years of age or older.

(d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

AGING AND ADULT SERVICES AGENCY

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of vulnerable seniors.

Sec. 1403. (1) By February 1 of the current fiscal year, the aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria.

Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

(b) The recipient's inability to prepare his or her own meals safely.

(c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely

1 to be eligible for home-delivered meals.

2 Sec. 1417. The department shall provide to the senate and
3 house appropriations subcommittees on the department budget, senate
4 and house fiscal agencies, and state budget director a report by
5 March 30 of the current fiscal year that contains all of the
6 following:

7 (a) The total allocation of state resources made to each area
8 agency on aging by individual program and administration.

9 (b) Detail expenditure by each area agency on aging by
10 individual program and administration including both state-funded
11 resources and locally-funded resources.

12 Sec. 1421. From the funds appropriated in part 1 for community
13 services, \$1,100,000.00 shall be allocated to area agencies on
14 aging for locally determined needs.

15 Sec. 1422. (1) From the funds appropriated in part 1 for aging
16 and adult services administration, not less than \$300,000.00 shall
17 be allocated for the department to contract with the Prosecuting
18 Attorneys Association of Michigan to provide the support and
19 services necessary to increase the capability of the state's
20 prosecutors, adult protective service system, and criminal justice
21 system to effectively identify, investigate, and prosecute elder
22 abuse and financial exploitation.

23 (2) By March 1 of the current fiscal year, the Prosecuting
24 Attorneys Association of Michigan shall provide a report on the
25 efficacy of the contract to the state budget office, the house and
26 senate appropriations subcommittees on the department budget, the
27 house and senate fiscal agencies, and the house and senate policy

1 offices.

2 Sec. 1424. From the funds appropriated in part 1 for community
3 services, \$100.00 is appropriated for Alzheimer's disease services
4 and shall be remitted to the Alzheimer's Association-Michigan
5 chapters for the purpose of continuation of a pilot project in
6 Macomb, Monroe, and St. Joseph Counties. The fiduciary for the
7 funds is the Alzheimer's Association-greater Michigan chapter. The
8 Alzheimer's Association shall provide enhanced services, including
9 24/7 helpline, continued care consultation, and support groups, to
10 individuals with Alzheimer's disease or dementia and their families
11 in the 3 counties, and partner with a Michigan public university to
12 study whether provision of such in-home support services
13 significantly delays the need for residential long-term care
14 services for individuals with Alzheimer's disease or dementia. The
15 study must also consider potential cost savings related to the
16 delay of long-term care services, if a delay is shown.

17 Sec. 1425. The department shall coordinate with the department
18 of licensing and regulatory affairs to ensure that, upon receipt of
19 the order of suspension of a licensed adult foster care home, home
20 for the aged, or nursing home, the department of licensing and
21 regulatory affairs shall provide notice to the department, to the
22 house and senate appropriations subcommittees on the department
23 budget, and to the members of the house and senate that represent
24 the legislative districts of the county in which the facility lies.

25 **MEDICAL SERVICES ADMINISTRATION**

26 Sec. 1501. The unexpended funds appropriated in part 1 for the

1 electronic health records incentive program are considered work
2 project appropriations, and any unencumbered or unallotted funds
3 are carried forward into the following fiscal year. The following
4 is in compliance with section 451a(1) of the management and budget
5 act, 1984 PA 431, MCL 18.1451a:

6 (a) The purpose of the project to be carried forward is to
7 implement the Medicaid electronic health record program that
8 provides financial incentive payments to Medicaid health care
9 providers to encourage the adoption and meaningful use of
10 electronic health records to improve quality, increase efficiency,
11 and promote safety.

12 (b) The projects will be accomplished according to the
13 approved federal advanced planning document.

14 (c) The estimated cost of this project phase is identified in
15 the appropriation line item.

16 (d) The tentative completion date for the work project is
17 September 30, 2021.

18 Sec. 1502. The department shall spend available work project
19 revenue and any associated federal match to create and develop a
20 transparency database website. This funding is contingent upon
21 enactment of enabling legislation.

22 Sec. 1503. From the funds appropriated in part 1 for Healthy
23 Michigan plan administration, the department shall maintain an
24 accounting structure within the statewide integrated governmental
25 management applications that will allow expenditures associated
26 with the administration of the Healthy Michigan plan to be
27 identified.

1 Sec. 1505. By March 1 and September 1 of the current fiscal
2 year, the department shall submit a report to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, and the state budget office including
5 both of the following:

6 (a) The department's projected annual increase in
7 reimbursement savings and cost offsets that will result from the
8 funds appropriated in part 1 for the office of inspector general
9 and third party liability efforts.

10 (b) The actual increase in reimbursement savings and cost
11 offsets that have resulted from the funds appropriated in part 1
12 for the office of inspector general and third party liability
13 efforts.

14 Sec. 1506. The department shall submit 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 a quarterly report on the implementation
18 status of the public assistance call center that includes all of
19 the following information:

20 (a) Call volume during the prior quarter.

21 (b) Percentage of calls resolved through the public assistance
22 call center.

23 (c) Percentage of calls transferred to a local department
24 office or other office for resolution.

25 (d) Number of Medicaid applications completed by the public
26 assistance call center staff and submitted on behalf of clients.

27 Sec. 1507. (1) From the funds appropriated in part 1 for

1 technology supporting integrated service delivery, the department
2 shall establish new information technology tools and enhance
3 existing systems to improve the eligibility and enrollment process
4 for citizens accessing department administered programs. This
5 information technology system will consolidate beneficiary
6 information, support department caseworker efforts in building a
7 success plan for beneficiaries, and better support department staff
8 in supporting enrollees in assistance programs.

9 (2) Outcomes and performance measures for the initiative under
10 subsection (1) include, but are not limited to, the following:

11 (a) Successful consolidation of data warehouses maintained by
12 the department.

13 (b) The amount of time a department caseworker devotes to data
14 entry when initiating an enrollee application.

15 (c) A reduction in wait times for persons enrolled in
16 assistance programs to speak with department staff and get
17 necessary changes made.

18 (d) A reduction in department caseworker workload.

19 **MEDICAL SERVICES**

20 Sec. 1601. The cost of remedial services incurred by residents
21 of licensed adult foster care homes and licensed homes for the aged
22 shall be used in determining financial eligibility for the
23 medically needy. Remedial services include basic self-care and
24 rehabilitation training for a resident.

25 Sec. 1603. (1) The department may establish a program for
26 individuals to purchase medical coverage at a rate determined by

1 the department.

2 (2) The department may receive and expend premiums for the
3 buy-in of medical coverage in addition to the amounts appropriated
4 in part 1.

5 (3) The premiums described in this section shall be classified
6 as private funds.

7 Sec. 1605. The protected income level for Medicaid coverage
8 determined pursuant to section 106(1)(b)(iii) of the social welfare
9 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
10 assistance standard.

11 Sec. 1606. For the purpose of guardian and conservator
12 charges, the department may deduct up to \$83.01 per month as an
13 allowable expense against a recipient's income when determining
14 medical services eligibility and patient pay amounts.

15 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
16 condition is pregnancy, shall immediately be presumed to be
17 eligible for Medicaid coverage unless the preponderance of evidence
18 in her application indicates otherwise. The applicant who is
19 qualified as described in this subsection shall be allowed to
20 select or remain with the Medicaid participating obstetrician of
21 her choice.

22 (2) An applicant qualified as described in subsection (1)
23 shall be given a letter of authorization to receive Medicaid
24 covered services related to her pregnancy. All qualifying
25 applicants shall be entitled to receive all medically necessary
26 obstetrical and prenatal care without preauthorization from a
27 health plan. All claims submitted for payment for obstetrical and

1 prenatal care shall be paid at the Medicaid fee-for-service rate in
2 the event a contract does not exist between the Medicaid
3 participating obstetrical or prenatal care provider and the managed
4 care plan. The applicant shall receive a listing of Medicaid
5 physicians and managed care plans in the immediate vicinity of the
6 applicant's residence.

7 (3) In the event that an applicant, presumed to be eligible
8 pursuant to subsection (1), is subsequently found to be ineligible,
9 a Medicaid physician or managed care plan that has been providing
10 pregnancy services to an applicant under this section is entitled
11 to reimbursement for those services until such time as they are
12 notified by the department that the applicant was found to be
13 ineligible for Medicaid.

14 (4) If the preponderance of evidence in an application
15 indicates that the applicant is not eligible for Medicaid, the
16 department shall refer that applicant to the nearest public health
17 clinic or similar entity as a potential source for receiving
18 pregnancy-related services.

19 (5) The department shall develop an enrollment process for
20 pregnant women covered under this section that facilitates the
21 selection of a managed care plan at the time of application.

22 (6) The department shall mandate enrollment of women, whose
23 qualifying condition is pregnancy, into Medicaid managed care
24 plans.

25 (7) The department shall encourage physicians to provide
26 women, whose qualifying condition for Medicaid is pregnancy, with a
27 referral to a Medicaid participating dentist at the first

1 pregnancy-related appointment.

2 Sec. 1611. (1) For care provided to medical services
3 recipients with other third-party sources of payment, medical
4 services reimbursement shall not exceed, in combination with such
5 other resources, including Medicare, those amounts established for
6 medical services-only patients. The medical services payment rate
7 shall be accepted as payment in full. Other than an approved
8 medical services co-payment, no portion of a provider's charge
9 shall be billed to the recipient or any person acting on behalf of
10 the recipient. Nothing in this section shall be considered to
11 affect the level of payment from a third-party source other than
12 the medical services program. The department shall require a
13 nonenrolled provider to accept medical services payments as payment
14 in full.

15 (2) Notwithstanding subsection (1), medical services
16 reimbursement for hospital services provided to dual
17 Medicare/medical services recipients with Medicare part B coverage
18 only shall equal, when combined with payments for Medicare and
19 other third-party resources, if any, those amounts established for
20 medical services-only patients, including capital payments.

21 Sec. 1620. (1) According to the federal covered outpatient
22 drug final rule with comment (CMS-2345-FC), the department shall
23 establish a professional pharmaceutical dispensing fee for pharmacy
24 benefits that are reimbursed on a fee-for-service basis. In
25 establishing this fee, the department shall comply with federal law
26 while taking into consideration the state's long-term financial
27 exposure and Medicaid beneficiaries' access to care. The

1 established fee shall not be lower than the amount in effect on
2 October 1, 2015.

3 (2) The department shall require a prescription co-payment for
4 Medicaid recipients not enrolled in the Healthy Michigan plan or
5 with an income less than 100% of the federal poverty level of \$1.00
6 for a generic drug and \$3.00 for a brand-name drug, except as
7 prohibited by federal or state law or regulation.

8 (3) The department shall require a prescription co-payment for
9 Medicaid recipients enrolled in the Healthy Michigan plan with an
10 income of at least 100% of the federal poverty level of \$4.00 for a
11 generic drug and \$8.00 for a brand-name drug, except as prohibited
12 by federal or state law or regulation.

13 Sec. 1621. The department shall report to the house and senate
14 appropriations subcommittees on the department budget, the house
15 and senate fiscal agencies, and the state budget office on
16 strategies the department is using to minimize the state cost of
17 specialty drugs. Also, the department may take additional measures
18 in order to further reduce state costs, while also ensuring that
19 appropriate clinical care is being utilized. The report shall also
20 include information on savings generated as a result of these
21 additional measures that may include additional cost sharing, step
22 therapy, and prior authorization.

23 Sec. 1629. The department shall utilize maximum allowable cost
24 pricing for generic drugs that is based on wholesaler pricing to
25 providers that is available from at least 2 wholesalers who deliver
26 in this state.

27 Sec. 1631. (1) The department shall require co-payments on

1 dental, podiatric, and vision services provided to Medicaid
2 recipients, except as prohibited by federal or state law or
3 regulation.

4 (2) Except as otherwise prohibited by federal or state law or
5 regulation, the department shall require Medicaid recipients not
6 enrolled in the Healthy Michigan plan or with an income less than
7 100% of the federal poverty level to pay not less than the
8 following co-payments:

9 (a) Two dollars for a physician office visit.

10 (b) Three dollars for a hospital emergency room visit.

11 (c) Fifty dollars for the first day of an inpatient hospital
12 stay.

13 (d) One dollar for an outpatient hospital visit.

14 (3) Except as otherwise prohibited by federal or state law or
15 regulation, the department shall require Medicaid recipients
16 enrolled in the Healthy Michigan plan with an income of at least
17 100% of the federal poverty level to pay the following co-payments:

18 (a) Four dollars for a physician office visit.

19 (b) Eight dollars for a hospital emergency room visit.

20 (c) One hundred dollars for the first day of an inpatient
21 hospital stay.

22 (d) Four dollars for an outpatient hospital visit or any other
23 medical provider visit to the extent allowed by federal or state
24 law or regulation.

25 Sec. 1641. An institutional provider that is required to
26 submit a cost report under the medical services program shall
27 submit cost reports completed in full within 5 months after the end

1 of its fiscal year.

2 Sec. 1645. The department shall consider using the most recent
3 3 years of actual days of care provided, as reported in the annual
4 cost reports, for the purpose of establishing the nursing facility
5 quality assurance assessment fee. For any year in which the
6 estimated days of care compared to the actual days of care provided
7 by each nursing home and hospital long-term care unit creates an
8 aggregate overpayment of \$1,000,000.00 or more as a result of the
9 nursing facility quality assurance assessment fee, the department
10 shall report the excess assessed amount to the senate and house
11 appropriation subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget office. By April 1
13 of the current fiscal year, the department shall report on
14 feasibility of creating a more accurate formula for next year's
15 assessment and a recommendation if a refund can or cannot be made
16 to the senate and house appropriation subcommittees on the
17 department budget, the senate and house fiscal agencies, and the
18 state budget office.

19 Sec. 1646. From the funds appropriated in part 1 for long-term
20 care services, the department shall implement a nursing facility
21 quality initiative. The initiative shall be financed through an
22 increase of the nursing facility quality assurance assessment, and
23 shall provide quality incentive payments intended to reward and
24 support improvement in outcomes for nursing facility patients and
25 residents.

26 Sec. 1657. (1) Reimbursement for medical services to screen
27 and stabilize a Medicaid recipient, including stabilization of a

1 psychiatric crisis, in a hospital emergency room shall not be made
2 contingent on obtaining prior authorization from the recipient's
3 HMO. If the recipient is discharged from the emergency room, the
4 hospital shall notify the recipient's HMO within 24 hours of the
5 diagnosis and treatment received.

6 (2) If the treating hospital determines that the recipient
7 will require further medical service or hospitalization beyond the
8 point of stabilization, that hospital shall receive authorization
9 from the recipient's HMO prior to admitting the recipient.

10 (3) Subsections (1) and (2) do not require an alteration to an
11 existing agreement between an HMO and its contracting hospitals and
12 do not require an HMO to reimburse for services that are not
13 considered to be medically necessary.

14 Sec. 1659. The following sections of this part are the only
15 ones that shall apply to the following Medicaid managed care
16 programs, including the comprehensive plan, MIChoice long-term care
17 plan, and the mental health, substance use disorder, and
18 developmentally disabled services program: 904, 911, 918, 920, 928,
19 942, 994, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764,
20 1809, 1810, 1850, 1875, 1882, and 1888.

21 Sec. 1662. (1) The department shall ensure that an external
22 quality review of each contracting HMO is performed that results in
23 an analysis and evaluation of aggregated information on quality,
24 timeliness, and access to health care services that the HMO or its
25 contractors furnish to Medicaid beneficiaries.

26 (2) The department shall require Medicaid HMOs to provide
27 EPSDT utilization data through the encounter data system, and HEDIS

1 well child health measures in accordance with the National
2 Committee for Quality Assurance prescribed methodology.

3 (3) The department shall provide a copy of the analysis of the
4 Medicaid HMO annual audited HEDIS reports and the annual external
5 quality review report to the senate and house of representatives
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget director, within 30
8 days of the department's receipt of the final reports from the
9 contractors.

10 Sec. 1670. (1) The appropriation in part 1 for the MICHild
11 program is to be used to provide comprehensive health care to all
12 children under age 19 who reside in families with income at or
13 below 212% of the federal poverty level, who are uninsured and have
14 not had coverage by other comprehensive health insurance within 6
15 months of making application for MICHild benefits, and who are
16 residents of this state. The department shall develop detailed
17 eligibility criteria through the medical services administration
18 public concurrence process, consistent with the provisions of this
19 part and part 1.

20 (2) The department may provide up to 1 year of continuous
21 eligibility to children eligible for the MICHild program unless the
22 family fails to pay the monthly premium, a child reaches age 19, or
23 the status of the children's family changes and its members no
24 longer meet the eligibility criteria as specified in the state
25 plan.

26 (3) The department may make payments on behalf of children
27 enrolled in the MICHild program as described in the MICHild state

1 plan approved by the United States Department of Health and Human
2 Services, or from other medical services.

3 Sec. 1673. The department may establish premiums for MICHild
4 eligible individuals in families with income at or below 212% of
5 the federal poverty level. The monthly premiums shall be \$10.00 per
6 month.

7 Sec. 1677. The MICHild program shall provide, at a minimum,
8 all benefits available under the Michigan benchmark plan that are
9 delivered through contracted providers and consistent with federal
10 law, including, but not limited to, the following medically
11 necessary services:

12 (a) Inpatient mental health services, other than substance use
13 disorder treatment services, including services furnished in a
14 state-operated mental hospital and residential or other 24-hour
15 therapeutically planned structured services.

16 (b) Outpatient mental health services, other than substance
17 use disorder services, including services furnished in a state-
18 operated mental hospital and community-based services.

19 (c) Durable medical equipment and prosthetic and orthotic
20 devices.

21 (d) Dental services as outlined in the approved MICHild state
22 plan.

23 (e) Substance use disorder treatment services that may include
24 inpatient, outpatient, and residential substance use disorder
25 treatment services.

26 (f) Care management services for mental health diagnoses.

27 (g) Physical therapy, occupational therapy, and services for

1 individuals with speech, hearing, and language disorders.

2 (h) Emergency ambulance services.

3 Sec. 1682. (1) In addition to the appropriations in part 1,
4 the department is authorized to receive and spend penalty money
5 received as the result of noncompliance with medical services
6 certification regulations. Penalty money, characterized as private
7 funds, received by the department shall increase authorizations and
8 allotments in the long-term care accounts.

9 (2) Any unexpended penalty money, at the end of the year,
10 shall carry forward to the following year.

11 Sec. 1692. (1) The department is authorized to pursue
12 reimbursement for eligible services provided in Michigan schools
13 from the federal Medicaid program. The department and the state
14 budget director are authorized to negotiate and enter into
15 agreements, together with the department of education, with local
16 and intermediate school districts regarding the sharing of federal
17 Medicaid services funds received for these services. The department
18 is authorized to receive and disburse funds to participating school
19 districts pursuant to such agreements and state and federal law.

20 (2) From the funds appropriated in part 1 for medical services
21 school-based services payments, the department is authorized to do
22 all of the following:

23 (a) Finance activities within the medical services
24 administration related to this project.

25 (b) Reimburse participating school districts pursuant to the
26 fund-sharing ratios negotiated in the state-local agreements
27 authorized in subsection (1).

1 (c) Offset general fund costs associated with the medical
2 services program.

3 Sec. 1693. The special Medicaid reimbursement appropriation in
4 part 1 may be increased if the department submits a medical
5 services state plan amendment pertaining to this line item at a
6 level higher than the appropriation. The department is authorized
7 to appropriately adjust financing sources in accordance with the
8 increased appropriation.

9 Sec. 1694. From the funds appropriated in part 1 for special
10 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
11 revenue and any associated federal match shall be distributed for
12 poison control services to an academic health care system that
13 includes a children's hospital that has a high indigent care
14 volume.

15 Sec. 1699. (1) The department may make separate payments in
16 the amount of \$45,000,000.00 directly to qualifying hospitals
17 serving a disproportionate share of indigent patients and to
18 hospitals providing GME training programs. If direct payment for
19 GME and DSH is made to qualifying hospitals for services to
20 Medicaid recipients, hospitals shall not include GME costs or DSH
21 payments in their contracts with HMOs.

22 (2) The department shall allocate \$40,500,000.00 in DSH
23 funding using the distribution methodology used in fiscal year
24 2003-2004. This allocation is reduced from the previous fiscal year
25 allocation in compliance with section 105d(8) of the social welfare
26 act, 1939 PA 280, MCL 400.105d.

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. 1702. From the funds appropriated in part 1, the

1 department shall maintain the 15% rate increase provided during the
2 fiscal year ending September 30, 2017 for private duty nursing
3 services for Medicaid beneficiaries under the age of 21. These
4 additional funds must be used to attract and retain highly
5 qualified registered nurses and licensed practical nurses to
6 provide private duty nursing services so that medically frail
7 children can be cared for in the most homelike setting possible.

8 Sec. 1724. The department shall allow licensed pharmacies to
9 purchase injectable drugs for the treatment of respiratory
10 syncytial virus for shipment to physicians' offices to be
11 administered to specific patients. If the affected patients are
12 Medicaid eligible, the department shall reimburse pharmacies for
13 the dispensing of the injectable drugs and reimburse physicians for
14 the administration of the injectable drugs.

15 Sec. 1730. The department shall continue to maintain enhanced
16 assessment tools established in collaboration with the department
17 of education that promote literacy development of pregnant women
18 and new mothers in the maternal infant health program. When
19 possible, the department shall include new fathers of the infants
20 in the literacy promotion efforts that are included in the
21 assessment tools and in the subsequent services provided. The
22 assessment tools shall expand the assessment of maternal and
23 parental literacy and provide support and referrals to resources to
24 enable program participants to achieve an increase in literacy that
25 may contribute to improvements in family health, economic, and life
26 outcomes.

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 of the current fiscal year, the
17 department shall report to the senate and house appropriations
18 subcommittees on the department budget, the senate and house fiscal
19 agencies, and the state budget office on progress in implementing
20 the waiver to implement managed care for individuals who are
21 eligible for both Medicare and Medicaid, known as MI Health Link,
22 including, but not limited to, a description of how the department
23 intends to ensure that service delivery is integrated, how key
24 components of the proposal are implemented effectively, and any
25 problems and potential solutions as identified by the ombudsman
26 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. 1790. Any restricted funds provided for ambulance
7 provider reimbursements must come from an ambulance provider
8 quality assurance assessment with a base narrowly tailored to
9 ambulance services that does not include other municipal services.

10 Sec. 1791. From the funds appropriated in part 1 for physician
11 services, the department shall increase Medicaid reimbursement
12 rates for neonatal services.

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 maintain 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 either licensed under part 170 or part 175 of the public health
27 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to

1 333.17556, and working as a primary care provider in general
2 practice or board-eligible or certified with a specialty
3 designation of family medicine, general internal medicine, or
4 pediatric medicine, or a provider who provides the department with
5 documentation of equivalency. Providers performing a service and
6 whose primary practice is as a non-primary-care subspecialty is not
7 eligible for the increase. The department shall establish policies
8 that most effectively limit the increase to primary care providers
9 for primary care services only.

10 (2) The department shall report by March 1 of the current
11 fiscal year to the senate and house subcommittees on the department
12 budget, the senate and house fiscal agencies, the senate and house
13 policy offices, and the state budget office the following:

14 (a) A list of medical specialties and licensed providers that
15 were paid enhanced primary care rates in the fiscal year ending
16 September 30, 2016.

17 (b) Information on the geographic distribution of specialists
18 who received enhanced rates in the fiscal year ending September 30,
19 2016.

20 Sec. 1802. From the funds appropriated in part 1, a lump-sum
21 payment shall be made to hospitals that qualified for rural
22 hospital access payments in fiscal year 2013-2014 and that provide
23 obstetrical care in the current fiscal year. The payment shall be
24 calculated as \$830.00 for each obstetrical care case payment and
25 each newborn care case payment for all such cases billed by the
26 qualified hospitals for fiscal year 2012-2013 and shall be paid
27 through the Medicaid health plan hospital rate adjustment process

1 by January 1 of the current fiscal year.

2 Sec. 1804. The department, in cooperation with the department
3 of military and veterans affairs, shall work with the federal
4 public assistance reporting information system to identify Medicaid
5 recipients who are veterans and who may be eligible for federal
6 veterans health care benefits or other benefits.

7 Sec. 1805. Hospitals receiving medical services payments for
8 graduate medical education shall submit fully completed quality
9 data to a nonprofit organization with extensive experience in
10 collecting and reporting hospital quality data on a public website.
11 The reporting must utilize consensus-based nationally endorsed
12 standards that meet National Quality Forum-endorsed safe practices.
13 The organization collecting the data must be an organization that
14 uses severity-adjusted risk models and measures that will help
15 patients and payers identify hospital campuses likely to have
16 superior outcomes. The public website shall provide information to
17 allow consumers to compare safe practices by hospital campus,
18 including, but not limited to, perinatal care, hospital-acquired
19 infection, and serious reportable events. Hospitals receiving
20 medical services payments for graduate medical education shall also
21 make their fully completed quality data available on the hospital's
22 website. The department shall withhold 25% of a hospital's graduate
23 medical education payment if the hospital does not submit the data
24 to a qualifying nonprofit organization described in this section by
25 July 1 of the current fiscal year.

26 Sec. 1806. The department shall monitor the progress of
27 implementing the Medicaid health plan common formulary. As part of

1 the monitoring process, by March 1 of the current fiscal year, the
2 department shall provide a report to the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, and the state budget office on the
5 following:

6 (a) The progress of implementing the Medicaid health plan
7 common formulary.

8 (b) The participation by the Medicaid health plans in the
9 Medicaid health plan common formulary.

10 (c) The timeliness of prior authorization approvals or
11 disapprovals.

12 (d) Any areas of inconsistency across the Medicaid health
13 plans' implementation of the Medicaid health plan common formulary.

14 Sec. 1809. The department shall establish separate contract
15 performance standards for Medicaid health plans that adhere to the
16 requirements of section 105d of the social welfare act, 1939 PA
17 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
18 withhold. The determination of the performance of the 0.75%
19 capitation withhold is at the discretion of the department but must
20 include recognized concepts such as 1-year continuous enrollment
21 and the HEDIS audited data. The determination of the performance of
22 the 0.25% capitation withhold is at the discretion of the
23 department but must include the utilization of high-value services
24 and discouraging the utilization of low-value services.

25 Sec. 1810. The department shall enhance encounter data
26 reporting processes and develop rules that would make each health
27 plan's encounter data as complete as possible, provide a fair

1 measure of acuity for each health plan's enrolled population for
2 risk adjustment purposes, capitation rate setting, diagnosis-
3 related group rate setting, and research and analysis of program
4 efficiencies while minimizing health plan administrative expense.

5 Sec. 1812. By June 1 of the current fiscal year, and using the
6 most recent available cost reports, the department shall complete a
7 report of all direct and indirect costs associated with residency
8 training programs for each hospital that receives funds
9 appropriated in part 1 for graduate medical education. The report
10 shall be submitted to the house and senate appropriations
11 subcommittees on the department budget, the house and senate fiscal
12 agencies, and the state budget office.

13 Sec. 1837. The department shall continue, and expand where
14 appropriate, utilization of telemedicine and telepsychiatry as
15 strategies to increase access to services for Medicaid recipients
16 in medically underserved areas.

17 Sec. 1846. From the funds appropriated in part 1 for graduate
18 medical education, the department shall distribute the funds with
19 an emphasis on the following health care workforce goals:

20 (a) The encouragement of the training of physicians in
21 specialties, including primary care, that are necessary to meet the
22 future needs of residents of this state.

23 (b) The training of physicians in settings that include
24 ambulatory sites and rural locations.

25 Sec. 1850. The department may allow Medicaid health plans to
26 assist with the redetermination process through outreach activities
27 to ensure continuation of Medicaid eligibility and enrollment in

1 managed care. This may include mailings, telephone contact, or
2 face-to-face contact with beneficiaries enrolled in the individual
3 Medicaid health plan. Health plans may offer assistance in
4 completing paperwork for beneficiaries enrolled in their plan.

5 Sec. 1861. From the funds appropriated in part 1 for
6 transportation, the department shall increase the number of
7 counties in which a local public transportation entity is the
8 primary administrator of the Medicaid nonemergency transportation
9 benefit. The purpose of this expansion is to improve Medicaid
10 beneficiary access to care, reduce the number of missed physician
11 appointments by Medicaid beneficiaries, and reduce time spent by
12 caseworkers facilitating nonemergency transportation for Medicaid
13 beneficiaries. Performance goals include an increase in utilization
14 of local public transportation, a reduction in the rate of trips
15 reported as missed to no more than 0.5%, and the successful
16 collection of data on program utilization, access, and beneficiary
17 satisfaction.

18 Sec. 1862. From the funds appropriated in part 1, the
19 department shall maintain payment rates for Medicaid obstetrical
20 services at 95% of Medicare levels effective October 1, 2014.

21 Sec. 1866. (1) From the funds appropriated in part 1 for
22 hospital services and therapy and health plan services,
23 \$12,000,000.00 in general fund/general purpose revenue and any
24 associated federal match shall be awarded to hospitals that meet
25 criteria established by the department for services to low-income
26 rural residents. One of the reimbursement components of the
27 distribution formula shall be assistance with labor and delivery

1 services.

2 (2) No hospital or hospital system shall receive more than
3 10.0% of the total funding referenced in subsection (1).

4 (3) To allow hospitals to understand their rural payment
5 amounts under this section, the department shall provide hospitals
6 with the methodology for distribution under this section and
7 provide each hospital with its applicable data that are used to
8 determine the payment amounts by August 1 of the current fiscal
9 year. The department shall publish the distribution of payments for
10 the current fiscal year and the immediately preceding fiscal year.

11 Sec. 1867. (1) The department shall convene a workgroup that
12 includes psychiatrists, other relevant prescribers, and pharmacists
13 to identify best practices and to develop a protocol for
14 psychotropic medications. Any changes proposed by the workgroup
15 shall protect a Medicaid beneficiary's current psychotropic
16 pharmaceutical treatment regimen by not requiring a physician
17 currently prescribing any treatment to alter or adjust that
18 treatment.

19 (2) By March 1 of the current fiscal year, the department
20 shall provide the workgroup's recommendations to the senate and
21 house appropriations subcommittees on the department budget, the
22 senate and house fiscal agencies, and the state budget office.

23 Sec. 1873. From the funds appropriated in part 1 for long-term
24 care services, the department may allocate up to \$3,700,000.00 for
25 the purpose of outreach and education to nursing home residents and
26 the coordination of housing in order to move out of the facility.
27 In addition, any funds appropriated shall be used for other quality

1 improvement activities of the program. The department shall
2 consider working with the Area Agencies on Aging Association of
3 Michigan, the non-Area Agencies on Aging waivers, and the
4 Disability Network/Michigan to develop a plan for the ongoing
5 sustainability of the nursing facility transition initiative.

6 Sec. 1874. (1) The department shall ensure, in counties where
7 program of all-inclusive care for the elderly or PACE services are
8 available, that the program of all-inclusive care for the elderly
9 (PACE) is included as an option in all options counseling and
10 enrollment brokering for aging services and managed care programs,
11 including, but not limited to, Area Agencies on Aging, centers for
12 independent living, and the MiChoice home and community-based
13 waiver. Such options counseling must include approved marketing and
14 discussion materials.

15 (2) The department shall establish a workgroup that consists
16 of the independent waiver agents, the medical services
17 administration, and PACE providers, to address PACE program issues
18 as identified within the state contract with PACE providers. The
19 workgroup shall, at a minimum, address the following concerns:

20 (a) Timely eligibility processing.

21 (b) Barriers to new enrollment.

22 (c) Future expansion criteria.

23 (3) The department shall report by February 1 of the current
24 fiscal year to the senate and house appropriations subcommittees on
25 the department budget, the senate and house fiscal agencies, and
26 the state budget office on the findings of the workgroup.

27 Sec. 1875. (1) The department and its contractual agents may

1 not subject Medicaid prescriptions to prior authorization
2 procedures during the current fiscal year if that drug is carved
3 out or is not subject to prior authorization procedures as of May
4 9, 2016, and is generally recognized in a standard medical
5 reference or the American Psychiatric Association's Diagnostic and
6 Statistical Manual for the Treatment of a Psychiatric Disorder.

7 (2) The department and its contractual agents may not subject
8 Medicaid prescriptions to prior authorization procedures during the
9 current fiscal year if that drug is carved out or is not subject to
10 prior authorization procedures as of May 9, 2016 and is a
11 prescription drug that is generally recognized in a standard
12 medical reference for the treatment of epilepsy or seizure disorder
13 or organ replacement therapy.

14 (3) As used in this section, "prior authorization" means a
15 process implemented by the department or its contractual agents
16 that conditions, delays, or denies delivery or particular pharmacy
17 services to Medicaid beneficiaries upon application of
18 predetermined criteria by the department or its contractual agents
19 to those pharmacy services. The process of prior authorization
20 often requires that a prescriber do 1 or both of the following:

21 (a) Obtain preapproval from the department or its contractual
22 agents before prescribing a given drug.

23 (b) Verify to the department or its contractual agents that
24 the use of a drug prescribed for an individual meets predetermined
25 criteria from the department or its contractual agents for a
26 prescription drug that is otherwise available under the Medicaid
27 program in this state.

1 Sec. 1877. By March 1 of the current fiscal year, the
2 department shall evaluate and report to the house and senate
3 appropriations subcommittees on the department budget on how the
4 Healthy Michigan plan has contributed to assisting individuals in
5 utilizing high-value services, minimized the use of low-value
6 services, and how individuals' lives may be improving as a result
7 of their access to services provided through the Healthy Michigan
8 plan.

9 Sec. 1878. Not later than March 1 of the current fiscal year,
10 the 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 on hepatitis C tracking data. At a minimum,
14 the report shall include information on the following for
15 individuals treated with Harvoni or any other treatment used to
16 cure hepatitis C during the current fiscal year or a previous
17 fiscal year:

18 (a) The total number of people treated broken down by those
19 treated through traditional Medicaid and those treated through the
20 Healthy Michigan plan.

21 (b) The total cost of treatment.

22 (c) The total cost of treatment broken down by those treated
23 through traditional Medicaid and those treated through the Healthy
24 Michigan plan.

25 (d) The cure rate broken down by Metavir Score, genotype,
26 Medicaid match rate, and drug used during treatment.

27 (e) The reinfection rate broken down by Metavir Score,

1 genotype, Medicaid match rate, and drug used during treatment.

2 Sec. 1882. By December 31 of the current fiscal year, the
3 department shall report to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the state budget office, documentation of the
6 expenses incurred during the immediate preceding fiscal year by
7 Medicaid health plans and PIHPs for the purpose of meeting the
8 contractual requirements to join the Michigan Health Information
9 Network Shared Services and incentivizing providers to become
10 members of the Health Information Exchange Qualified Organization.
11 The report should also include an estimation of the expenses to be
12 incurred in the current fiscal year by Medicaid health plans and
13 PIHPs for the same purpose of meeting their contractual
14 obligations.

15 Sec. 1888. The department shall establish contract performance
16 standards associated with the capitation withhold provisions for
17 Medicaid health plans in advance of the implementation of those
18 standards. The determination of whether performance standards have
19 been met shall be based primarily on recognized concepts such as 1-
20 year continuous enrollment and the healthcare effectiveness data
21 and information set, HEDIS, audited data.

22 Sec. 1890. From the funds appropriated in part 1 for
23 pharmaceutical services, the department shall ensure Medicaid
24 recipients' access to breast pumps to support and encourage
25 breastfeeding. The department shall adjust Medicaid policy to, at a
26 minimum, provide an individual double electric style pump to a
27 breastfeeding mother when a physician prescribes such a device

1 based on diagnosis of mother or infant. If the distribution method
2 for pumps or other equipment is a department contract with durable
3 medical equipment providers, the department shall guarantee
4 providers stock and rent to Medicaid recipients without delay or
5 undue restriction.

6 Sec. 1894. (1) By July 1 of the current fiscal year, the
7 department shall provide a report to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, and the state budget office on outcomes
10 and performance measures of the Healthy Kids Dental program.

11 (2) Outcomes and performance measures for the Healthy Kids
12 Dental program include, but are not limited to, the following:

13 (a) The number of children enrolled in the Healthy Kids Dental
14 program who visited the dentist during the previous fiscal year.

15 (b) The number of dentists who will accept payment from the
16 Healthy Kids Dental program.

17 (c) The annual change in dental utilization of children
18 enrolled in the Healthy Kids Dental program.

19 Sec. 1899. (1) The funds appropriated in part 1 for hospice
20 services shall be expended to provide room and board for Medicaid
21 beneficiaries who meet hospice eligibility requirements and receive
22 services at Medicaid-enrolled hospice residences in this state. The
23 qualifying hospice residences must have been licensed as a hospice
24 residence as of October 1, 2014. These funds shall be distributed
25 on a per-bed basis divided equally among the hospice residence beds
26 that apply for the funds. These funds shall be paid on a lump-sum
27 quarterly basis.

(2) The qualifying hospice residences that receive funds under this section shall provide a report to the department by September 15 of the current fiscal year that includes the number of individuals served, number of days served, and cost of serving those individuals.

(3) If the funds appropriated in this section do not cover the need, the qualifying hospice residences shall report to the department the number of individuals who did not receive care. If the funds appropriated in this section are more than the cost to cover the need, the qualifying hospice residences shall return the funds to the state.

INFORMATION TECHNOLOGY

Sec. 1901. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department shall submit its own project plan, which includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

1 (d) The proposed benefits from implementing the information
2 technology expansion, including customer service improvement, form
3 reductions, potential time savings, caseload reduction, and return
4 on investment.

5 (2) Once an award for an expansion of information technology
6 is made, the department shall 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 a projected cost of the expansion broken
10 down by use and type of expense.

11 Sec. 1902. From the funds appropriated in part 1 for the
12 Michigan Medicaid information system (MMIS) line item, private
13 revenue may be received from and allocated for other states
14 interested in participating as part of the broader MMIS initiative.
15 By March 1 of the current fiscal year, the department shall provide
16 a report on the use of MMIS by other states for the previous fiscal
17 year, including a list of states, type of use, and revenue and
18 expenditures related to the agreements with the other states to use
19 the MMIS. The report shall be provided to the house and senate
20 appropriations subcommittees on the department budget, the house
21 and senate fiscal agencies, and the state budget office.

22 Sec. 1903. (1) The department shall report to the senate and
23 house appropriations subcommittees on the department budget, the
24 senate and house fiscal agencies, the senate and house policy
25 offices, and the state budget office by November 1 of the current
26 fiscal year an implementation plan regarding the appropriation in
27 part 1 to implement the MiSACWIS. The plan shall include, but not

1 be limited to, efforts to bring the system in compliance with the
2 settlement and other federal guidelines set forth by the United
3 States Department of Health and Human Services Administration for
4 Children and Families.

5 (2) The department shall report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office by November 1 of the current fiscal year a
9 status report on the planning, implementation, and operation,
10 regardless of the current operational status, regarding the
11 appropriation in part 1 to implement the MiSACWIS. The report shall
12 provide details on the planning, implementation, and operation of
13 the system, including, but not limited to, all of the following:

14 (a) Areas where implementation went as planned.

15 (b) The number of known issues.

16 (c) The average number of help tickets submitted per day.

17 (d) Any additional overtime or other staffing costs to address
18 known issues and volume of help tickets.

19 (e) Any contract revisions to address known issues and volume
20 of help tickets.

21 (f) Other strategies undertaken to improve implementation.

22 (g) Progress developing cross-system trusted data exchange
23 with MiSACWIS.

24 (h) Progress in moving away from a statewide/tribal automated
25 child welfare information system (SACWIS/TACWIS) to a comprehensive
26 child welfare information system (CCWIS).

27 (i) Progress developing and implementing a program to monitor

1 data quality.

2 (j) Progress developing and implementing custom integrated
3 systems for private agencies and tribal governments.

4 **ONE-TIME BASIS ONLY APPROPRIATIONS**

5 Sec. 1905. From the funds appropriated in part 1 for the
6 drinking water declaration of emergency, the department shall
7 allocate funds to address needs in a city in which a declaration of
8 emergency was issued because of drinking water contamination. These
9 funds may support, but are not limited to, the following
10 activities:

11 (a) Nutrition assistance, nutritional and community education,
12 food bank resources, and food inspections.

13 (b) Epidemiological analysis and case management of
14 individuals at risk of elevated blood lead levels.

15 (c) Support for child and adolescent health centers,
16 children's healthcare access program, and pathways to potential
17 programming.

18 (d) Nursing services, breastfeeding education, evidence-based
19 home visiting programs, intensive services, and outreach for
20 children exposed to lead coordinated through local community mental
21 health organizations.

22 (e) Department field operations costs.

23 (f) Lead poisoning surveillance, treatment, and lead
24 abatement.

25 Sec. 1906. (1) From the funds appropriated in part 1 for
26 university autism programs, the department shall continue a grant

1 process for autism programs. These grants are intended to increase
2 the number of applied behavioral analysts, increase the number of
3 autism diagnostic services provided, or increase employment of
4 individuals who are diagnosed with autism spectrum disorder.

5 (2) As a condition of accepting the grants described in
6 subsection (1), each university shall track and report back to the
7 department where the individuals who have completed the applied
8 behavioral analysis training are initially employed and the
9 location of the initial employment.

10 (3) Outcomes and performance measures related to this
11 initiative include, but are not limited to, the following:

12 (a) An increase in applied behavioral analysts certified from
13 university autism programs.

14 (b) The number of autism diagnostic services provided.

15 (c) The employment rate of employment program participants.

16 (d) The employment rate of applied behavioral analysts trained
17 through the university autism programs.

18 Sec. 1907. From the funds appropriated in part 1 for child
19 lead poisoning elimination board, the department shall implement
20 recommendations of the board offered in the board's report of
21 November 2016. The recommendations implemented by the department
22 under this section shall be based in science and best practices,
23 and the department shall give priority to the implementation of the
24 recommendations that are most in agreement with recommendations of
25 nationally recognized organizations and authorities.

26 Sec. 1913. (1) The department shall apply to the Centers for
27 Medicare and Medicaid Services for a waiver to allow the department

1 to contract directly with direct primary care providers for
2 Medicaid services. After the department receives a response from
3 the Centers for Medicare and Medicaid Services regarding the
4 waiver, the department shall do 1 of the following:

5 (a) If the Centers for Medicare and Medicaid Services approves
6 the waiver, from the funds appropriated in part 1 for direct
7 primary care pilot program, the department shall expend \$710,000.00
8 general fund/general purpose plus associated federal match for this
9 program as part of a work project to fund the program for a 3-year
10 period.

11 (b) If the Centers for Medicare and Medicaid Services does not
12 approve the waiver, from the funds appropriated in part 1 for
13 direct primary care pilot program, the department shall expend
14 \$2,016,000.00 general fund/general purpose to fund a direct primary
15 care pilot program for a 1-year period.

16 (2) The department shall implement a direct primary care pilot
17 program for Medicaid recipients in Wayne, Oakland, Kent, Genesee,
18 and Livingston Counties that shall run from October 1, 2017 to
19 September 30, 2018. The pilot program shall include 400 recipients
20 from each of the following Medicaid eligibility categories:

- 21 (a) Childless adults.
- 22 (b) Children ages 0-6 years.
- 23 (c) Children ages 7-18 years.
- 24 (d) Parents.
- 25 (e) Elderly individuals.
- 26 (f) Disabled individuals.

27 (3) For the purposes of the pilot program, each recipient

1 shall be enrolled in a single, eligible direct primary care service
2 provider plan. The department shall maintain and publicly share a
3 list of eligible direct primary care service providers with
4 potential pilot program enrollees.

5 (4) An eligible direct primary care service provider must meet
6 the following requirements:

7 (a) The direct primary care service provider must be a
8 licensed physician in a primary care specialty.

9 (b) The monthly direct primary care enrollment fee shall not
10 exceed a weighted average of \$70.00 per month across all
11 eligibility categories. The average shall be weighted by the
12 population makeup of the pilot program.

13 (c) The direct primary care service provider must not accept
14 any third-party payments for health care services, other than
15 retainer fees from the managed care provider with which they have
16 contracted.

17 (d) The direct primary care service provider must only provide
18 primary care services.

19 (e) The direct primary care service provider plan must
20 include, but is not limited to, access to telemedicine, and same or
21 next business day appointments.

22 (5) Managed care organizations contracted by the state to
23 provide Medicaid services within the county where the pilot program
24 enrollee lives shall authorize direct primary care service
25 providers participating in the pilot program to serve as "gateway"
26 service providers able to refer pilot program enrollees to
27 nonprimary care services within the managed care organization's

1 provider network. The managed care provider is not liable for
2 increased costs resulting from implementation of the pilot program.

3 (6) The department shall have access to the patient records of
4 each enrollee in the pilot program for the sole purpose of
5 aggregate data collection.

6 (7) On a quarterly basis, the department shall report to the
7 house and senate appropriations subcommittees on the department
8 budget, the house and senate fiscal agencies, the house and senate
9 policy offices, and the state budget office on the implementation
10 of the direct primary care pilot program. The report shall include,
11 but is not limited to, the following performance metrics:

12 (a) The number of enrollees in the pilot program by
13 eligibility category.

14 (b) The per member per month rate paid in the current fiscal
15 year per eligibility category.

16 (c) The number of claims paid in the current fiscal year per
17 eligibility category.

18 (d) The number of claims per category weighted to reflect 400
19 enrollees.

20 (e) The dollar value of all claims per eligibility category.

21 (f) The per member per month actual cost, which is the direct
22 primary care service provider plan costs and any managed care costs
23 not covered through the direct primary care service provider plan,
24 including managed care provider overhead costs.

25 (g) The average direct primary care cost per enrollee per
26 eligibility category.

27 (h) The average number of actual claims per eligibility

1 category.

2 (i) The average actual dollar value of claims per eligibility
3 category.

4 (j) The number of enrollees in the pilot program during the
5 previous quarter who are no longer eligible for Medicaid in the
6 current quarter, broken down by eligibility category.

7 (k) The category savings subtotal, which is the per member per
8 month rate paid in the current fiscal year minus the per member per
9 month actual cost, multiplied by the number of enrollees in the
10 eligibility category.

11 (l) The total savings, which is the per member per month rate
12 paid in the current fiscal year minus the per member per month
13 actual cost, multiplied by the total number of enrollees in the
14 pilot program.

15 (8) Unexpended and unencumbered funds up to a maximum of
16 \$2,016,000.00 general fund/general purpose revenue plus any
17 associated federal match remaining in accounts appropriated in part
18 1 for direct primary care pilot program are designated as work
19 project appropriations, and any unencumbered or unallotted funds
20 shall not lapse at the end of the fiscal year and shall be
21 available for expenditures for the direct primary care pilot
22 program for Medicaid recipients in Wayne, Oakland, Kent, Genesee,
23 and Livingston Counties under this section until the work projects
24 have been completed. All of the following are in compliance with
25 section 451a of the management and budget act, 1984 PA 431, MCL
26 18.1451a:

27 (a) The purpose of the pilot program is to fund the cost of a

1 direct primary care pilot program as provided by this section.

2 (b) The project will be accomplished by contracting with a
3 managed care organization under contract with the department to
4 provide Medicaid services.

5 (c) The total estimated cost of the project is \$2,016,000.00
6 of general fund/general purpose revenue plus any associated federal
7 match.

8 (d) The tentative completion date is September 30, 2020.

9 (9) The department may take out a stop-loss policy to mitigate
10 the potential cost impact if pilot program per member per month
11 costs exceed per member per month costs for the program the
12 enrollee would have been in had he or she not participated in the
13 pilot program. The cost of the stop-loss policy shall not be used
14 in the assessment of the success of the pilot program.

15 Sec. 1914. From the funds appropriated in part 1 for primary
16 care and dental health services, \$300,000.00 shall be allocated for
17 primary care clinic and dental health clinic services for indigent
18 individuals to be provided in clinic locations in the city of
19 Detroit and Wayne County by a public nonprofit organization that is
20 pursuing certification as a federally qualified health center and
21 is expected to be certified within 2 years.

22 ARTICLE XI

23 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

24 PART 1

25 LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	336.5	
GROSS APPROPRIATION	\$	66,741,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		707,600
ADJUSTED GROSS APPROPRIATION	\$	66,033,800
Federal revenues:		
Total federal revenues		2,014,700
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total state restricted revenues		63,869,100
State general fund/general purpose	\$	150,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	22.5	
Unclassified salaries--6.0 FTE positions	\$	769,100
Administrative hearings		182,500
Department services--19.0 FTE positions		3,752,200
Executive director programs--3.5 FTE positions		1,066,400
Property management		1,244,200

1	Worker's compensation	<u>4,700</u>
2	GROSS APPROPRIATION	\$ 7,019,100
3	Appropriated from:	
4	Special revenue funds:	
5	Bank fees	615,100
6	Captive insurance regulatory and supervision fund	4,100
7	Consumer finance fees	271,400
8	Credit union fees	810,500
9	Deferred presentment service transaction fees	368,200
10	Insurance bureau fund	2,232,200
11	Insurance continuing education fees	69,600
12	Insurance licensing and regulation fees	1,860,300
13	MBLSLA fund	636,400
14	Multiple employer welfare arrangement	1,300
15	State general fund/general purpose	\$ 150,000
16	Sec. 103. INSURANCE AND FINANCIAL SERVICES	
17	REGULATION	
18	Full-time equated classified positions 314.0	
19	Consumer services and protection--64.0 FTE positions .	\$ 8,660,800
20	Financial institutions evaluation--132.0 FTE positions	24,354,400
21	Insurance evaluation--118.0 FTE positions	<u>24,480,500</u>
22	GROSS APPROPRIATION	\$ 57,495,700
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG-LARA, for debt management	707,600
26	Federal revenues:	
27	Federal funds	2,014,700

1	Special revenue funds:	
2	Bank fees	6,059,600
3	Captive insurance regulatory and supervision fund	285,100
4	Consumer finance fees	3,073,200
5	Credit union fees	8,023,300
6	Deferred presentment service transaction fees	3,306,500
7	Insurance bureau fund	21,242,800
8	Insurance continuing education fees	998,900
9	Insurance licensing and regulation fees	5,928,700
10	MBLSLA fund	5,572,900
11	Multiple employer welfare arrangement	282,400
12	State general fund/general purpose	\$ 0
13	Sec. 104. INFORMATION TECHNOLOGY	
14	Information technology services and projects	\$ <u>2,226,600</u>
15	GROSS APPROPRIATION	\$ 2,226,600
16	Appropriated from:	
17	Special revenue funds:	
18	Bank fees	197,900
19	Consumer finance fees	90,100
20	Credit union fees	261,800
21	Deferred presentment service transaction fees	108,000
22	Insurance bureau fund	634,200
23	Insurance continuing education fees	22,500
24	Insurance licensing and regulation fees	716,900
25	MBLSLA fund	195,200
26	State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$64,019,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$0.

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 insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The departments and agencies receiving

1 appropriations in part 1 shall use the internet to fulfill the
2 reporting requirements of this part. This requirement may include
3 transmission of reports via electronic mail to the recipients
4 identified for each reporting requirement, or it may include
5 placement of reports on an internet or intranet site.

6 Sec. 205. Funds appropriated in part 1 shall not be used for
7 the purchase of foreign goods or services, or both, if
8 competitively priced and of comparable quality American goods or
9 services, or both, are available. Preference shall be given to
10 goods or services, or both, manufactured or provided by Michigan
11 businesses, if they are competitively priced and of comparable
12 quality. In addition, preference shall be given to goods or
13 services, or both, that are manufactured or provided by Michigan
14 businesses owned and operated by veterans, if they are
15 competitively priced and of comparable quality.

16 Sec. 206. The director shall take all reasonable steps to
17 ensure businesses in deprived and depressed communities compete for
18 and perform contracts to provide services or supplies, or both. The
19 director shall strongly encourage firms with which the department
20 contracts to subcontract with certified businesses in depressed and
21 deprived communities for services, supplies, or both.

22 Sec. 207. (1) Out-of-state travel shall be limited to
23 situations where the travel is approved by a departmental
24 employee's immediate supervisor and in which 1 or more of the
25 following conditions apply:

26 (a) The travel is required by legal mandate or court order or
27 for law enforcement purposes.

1 (b) The travel is necessary to protect the health or safety of
2 Michigan citizens or visitors or to assist other states in similar
3 circumstances.

4 (c) The travel is necessary to produce budgetary savings or to
5 increase state revenues, including protecting existing federal
6 funds or securing additional federal funds.

7 (d) The travel is necessary to comply with federal
8 requirements.

9 (e) The travel is necessary to secure specialized training for
10 staff that is not available within this state.

11 (f) The travel is financed entirely by federal or nonstate
12 funds.

13 (2) The department shall not approve the travel of more than 1
14 departmental employee to a specific professional development
15 conference or training seminar that is located outside of this
16 state unless a professional development conference or training
17 seminar is funded by a federal or private funding source and
18 requires more than 1 person from a department to attend, or the
19 conference or training seminar includes multiple issues in which 1
20 employee from the department does not have expertise.

21 (3) Not later than January 1, the department shall prepare a
22 travel report listing all travel by classified and unclassified
23 employees outside this state in the immediately preceding fiscal
24 year that was funded in whole or in part with funds appropriated in
25 the department's budget. The department shall submit the report to
26 the senate and house of representatives standing committees on
27 appropriations, the senate and house fiscal agencies, and the state

1 budget director. The report shall include the following
2 information:

3 (a) The name of each person receiving reimbursement for travel
4 outside this state or whose travel costs were paid by this state.

5 (b) The destination of each travel occurrence.

6 (c) The dates of each travel occurrence.

7 (d) A brief statement of the reason for each travel
8 occurrence.

9 (e) The transportation and related costs of each travel
10 occurrence, including the proportion funded with state general
11 fund/general purpose revenues, the proportion funded with state
12 restricted revenues, the proportion funded with federal revenues,
13 and the proportion funded with other revenues.

14 (f) A total of all out-of-state travel funded for the
15 immediately preceding fiscal year.

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

22 Sec. 209. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total general fund/general purpose appropriation lapses at the
25 close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation
27 lapses by major departmental program or program areas. The report

1 shall be transmitted to the chairpersons of the senate and house of
2 representatives appropriations standing committees and the senate
3 and house fiscal agencies.

4 Sec. 210. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$1,000,000.00 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 \$5,000,000.00 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 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 of
4 representatives appropriations committee chairs, the subcommittee
5 chairs, and the senate and house fiscal agencies with an annual
6 report on estimated state restricted fund balances, state
7 restricted fund projected revenues, and state restricted fund
8 expenditures for the immediately preceding and current fiscal
9 years.

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 department's performance.

14 Sec. 214. Total authorized appropriations from all sources in
15 part 1 for legacy costs for the fiscal year ending September 30,
16 2018 are estimated at \$9,551,300.00. From this amount, total agency
17 appropriations for pension-related legacy costs are estimated at
18 \$4,915,200.00. Total agency appropriations for retiree health care
19 legacy costs are estimated at \$4,636,100.00.

20 Sec. 215. Unless prohibited by law, the department may accept
21 credit card or other electronic means of payment for licenses,
22 fees, or permits.

23 Sec. 217. The department shall receive and retain copies of
24 all reports funded from appropriations in part 1. The department
25 shall follow federal and state guidelines for short-term and long-
26 term retention of records. The department may electronically retain
27 copies or reports unless otherwise required by federal and state

1 guidelines.

2 Sec. 218. 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. 219. The department shall not develop or produce any
6 television or radio productions.

7 Sec. 220. The department, in conjunction with the department
8 of health and human services, shall maintain an accounting
9 structure within this state's accounting system that will allow
10 expenditures associated with the administration of the Healthy
11 Michigan plan to be identified.

12 Sec. 221. The amount appropriated from the general fund in
13 part 1 for executive director programs may only be expended to
14 comply with reporting requirements regarding the Healthy Michigan
15 plan under section 105d(9) of the social welfare act, 1939 PA 280,
16 MCL 400.105d.

17 **INSURANCE AND FINANCIAL SERVICES REGULATION**

18 Sec. 301. The department shall provide a report to the
19 subcommittees, the senate and house fiscal agencies, and the state
20 budget director by September 30 based on the annual rate filings
21 from health insurance issuers that includes all of the following:

22 (a) The number that are approved by the department.

23 (b) The number that are denied by the department.

24 (c) The percentage of rate filings processed within the
25 applicable statutory time frames.

26 (d) The average number of calendar days to process rate

1 filings.

2 Sec. 302. In addition to the funds appropriated in part 1, the
3 funds collected by the department in connection with a
4 conservatorship under section 32 of the mortgage brokers, lenders,
5 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
6 collected by the department from corporations being liquidated
7 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to
8 500.8302, shall be appropriated for all expenses necessary to
9 provide for the required services. Funds are available for
10 expenditure when they are received by the department of treasury
11 and shall not lapse to the general fund at the end of the fiscal
12 year.

13 Sec. 303. The department may make available to interested
14 entities customized listings of nonconfidential information in its
15 possession. The department may establish and collect a reasonable
16 charge to provide this service. The revenue from this service is
17 appropriated when received and shall be used to offset expenses to
18 provide the service. Any balance of this revenue collected and
19 unexpended at the end of the fiscal year shall lapse to the
20 appropriate restricted fund.

21 ARTICLE XII

22 JUDICIARY

23 PART 1

24 LINE-ITEM APPROPRIATIONS

25 Sec. 101. There is appropriated for the judiciary for the

1 fiscal year ending September 30, 2018, from the following funds:

2 **JUDICIARY**

3 APPROPRIATION SUMMARY

4	Full-time equated exempted positions	501.0	
5	GROSS APPROPRIATION		\$ 299,373,700
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers.....		1,550,600
9	ADJUSTED GROSS APPROPRIATION		\$ 297,823,100
10	Federal revenues:		
11	Total federal revenues		6,464,100
12	Special revenue funds:		
13	Total local revenues		5,955,300
14	Total private revenues		969,600
15	Total other state restricted revenues		92,529,000
16	State general fund/general purpose		\$ 191,905,100
17	Sec. 102. SUPREME COURT		
18	Full-time equated exempted positions	248.0	
19	Community dispute resolution--3.0 FTE positions		\$ 2,384,000
20	Direct trial court automation support--44.0 FTE		
21	positions.....		5,955,300
22	Drug treatment courts		11,833,000
23	Foster care review board--10.0 FTE positions		1,317,100
24	Judicial information systems--22.0 FTE positions		4,379,100
25	Judicial institute--13.0 FTE positions		1,819,400
26	Mental health courts and diversion services--1.0 FTE		
27	position.....		5,464,000

1	Next generation Michigan court system	4,116,000
2	Other federal grants	275,100
3	State court administrative office--63.0 FTE positions	12,612,100
4	Supreme court administration--92.0 FTE positions	13,765,800
5	Swift and sure sanctions program	3,500,000
6	Veterans courts	<u>936,400</u>
7	GROSS APPROPRIATION	\$ 68,357,300
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of corrections	50,600
11	IDG from department of state police	1,500,000
12	Federal revenues:	
13	DOJ, drug court training and evaluation	300,000
14	DOT, National Highway Traffic Safety Administration ..	2,214,400
15	HHS, access and visitation grant	622,900
16	HHS, children's justice grant	236,100
17	HHS, court improvement project	1,320,600
18	HHS, title IV-D child support program	1,031,800
19	HHS, title IV-E foster care program	395,900
20	Other federal grant revenues	275,100
21	Special revenue funds:	
22	Local - user fees	5,955,300
23	Private	193,400
24	Private - interest on lawyers trust accounts	266,100
25	Private - state justice institute	425,300
26	Community dispute resolution fund	2,384,000
27	Court of appeals filing/motion fees	1,641,800

1	Drug court fund	1,920,500
2	Justice system fund	581,000
3	Law exam fees	657,000
4	Miscellaneous revenue	275,700
5	State court fund	388,000
6	State general fund/general purpose	\$ 45,721,800
7	Sec. 103. COURT OF APPEALS	
8	Full-time equated exempted positions	175.0
9	Court of appeals operations--175.0 FTE positions	\$ <u>23,446,900</u>
10	GROSS APPROPRIATION	\$ 23,446,900
11	Appropriated from:	
12	State general fund/general purpose	\$ 23,446,900
13	Sec. 104. BRANCHWIDE APPROPRIATIONS	
14	Full-time equated exempted positions	4.0
15	Branchwide appropriations--4.0 FTE positions	\$ <u>9,123,100</u>
16	GROSS APPROPRIATION	\$ 9,123,100
17	Appropriated from:	
18	State general fund/general purpose	\$ 9,123,100
19	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
20	Full-time judges positions	588.0
21	Supreme court justices' salaries--7.0 justices	\$ 1,152,300
22	Circuit court judges' state base salaries--214.0	
23	judges	21,364,800
24	Circuit court judicial salary standardization	9,785,000
25	Court of appeals judges' salaries--27.0 judges	4,252,700
26	District court judges' state base salaries--237.0	
27	judges	23,254,600

1	District court judicial salary standardization	10,836,700
2	Probate court judges' state base salaries--103.0	
3	judges.....	10,203,000
4	Probate court judicial salary standardization	4,669,600
5	Judges' retirement system defined contributions	4,761,200
6	OASI, social security	<u>5,954,100</u>
7	GROSS APPROPRIATION	\$ 96,234,000
8	Appropriated from:	
9	Special revenue funds:	
10	Court fee fund.....	2,702,100
11	State general fund/general purpose	\$ 93,531,900
12	Sec. 106. JUDICIAL AGENCIES	
13	Full-time equated exempted positions..... 7.0	
14	Judicial tenure commission--7.0 FTE positions	\$ <u>1,149,700</u>
15	GROSS APPROPRIATION	\$ 1,149,700
16	Appropriated from:	
17	State general fund/general purpose	\$ 1,149,700
18	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
19	Full-time equated exempted positions..... 51.0	
20	Appellate public defender program--51.0 FTE positions	\$ <u>7,795,000</u>
21	GROSS APPROPRIATION	\$ 7,795,000
22	Appropriated from:	
23	Federal revenues:	
24	Other federal grant revenues	67,300
25	Special revenue funds:	
26	Private - interest on lawyers trust accounts	84,800
27	Miscellaneous revenue	136,900

1	State general fund/general purpose	\$	7,506,000
2	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
3	Indigent civil legal assistance	\$	<u>7,937,000</u>
4	GROSS APPROPRIATION	\$	7,937,000
5	Appropriated from:		
6	Special revenue funds:		
7	State court fund		7,937,000
8	State general fund/general purpose	\$	0
9	Sec. 109. TRIAL COURT OPERATIONS		
10	Full-time equated exempted positions	5.0	
11	Court equity fund reimbursements	\$	60,815,700
12	Drug case-flow program		250,000
13	Drunk driving case-flow program		3,300,000
14	Judicial technology improvement fund		4,815,000
15	Juror compensation reimbursement		6,600,000
16	Statewide e-file system--5.0 FTE positions		<u>8,500,000</u>
17	GROSS APPROPRIATION	\$	84,280,700
18	Appropriated from:		
19	Special revenue funds:		
20	Court equity fund		50,440,000
21	Drug fund		250,000
22	Drunk driving fund		3,300,000
23	Electronic filing fee fund		8,500,000
24	Judicial technology improvement fund		4,815,000
25	Juror compensation fund		6,600,000
26	State general fund/general purpose	\$	10,375,700
27	Sec. 110. ONE-TIME APPROPRIATIONS		

1	Full-time equated exempted positions	11.0	
2	Compliance with <u>Montgomery v Louisiana</u> --	11.0 FTE	
3	positions.....		\$ 750,000
4	Pretrial risk assessment		<u>300,000</u>
5	GROSS APPROPRIATION		\$ 1,050,000
6	Appropriated from:		
7	State general fund/general purpose		\$ 1,050,000

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 FOR FISCAL YEAR 2017-2018

11 **GENERAL SECTIONS**

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

13 constitution of 1963, total state spending from state resources

14 under part 1 for fiscal year 2017-2018 is \$284,434,100.00 and state

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

16 government for fiscal year 2017-2018 is \$146,730,400.00. The

17 itemized statement below identifies appropriations from which

18 spending to local units of government will occur:

19 JUDICIARY

20 SUPREME COURT

21	State court administrative office	\$ 300,000
22	Drug treatment courts	11,833,000
23	Mental health courts and diversion services	5,331,400
24	Veterans courts	936,400
25	Swift and sure sanctions program	3,400,000

1	Next generation Michigan court system	4,116,000
2	TRIAL COURT OPERATIONS	
3	Court equity fund reimbursements	\$ 60,815,700
4	Judicial technology improvement fund	4,815,000
5	Drunk driving case-flow program	3,300,000
6	Drug case-flow program	250,000
7	Juror compensation reimbursement	6,600,000
8	Statewide e-file system	8,500,000
9	JUSTICES' AND JUDGES' COMPENSATION	
10	District court judicial salary standardization	\$ 10,836,700
11	Probate court judges' state base salaries	10,203,000
12	Probate court judicial salary standardization	4,669,600
13	Circuit court judicial salary standardization	9,785,000
14	Grant to OASI contribution fund, employer's share,	
15	social security.....	<u>1,038,600</u>
16	TOTAL	\$ 146,730,400

17 Sec. 202. (1) The appropriations authorized under this part
18 and part 1 are subject to the management and budget act, 1984 PA
19 431, MCL 18.1101 to 18.1594.

20 (2) Funds appropriated in part 1 to an entity within the
21 judicial branch shall not be expended or transferred to another
22 account without written approval of the authorized agent of the
23 judicial entity. If the authorized agent of the judicial entity
24 notifies the state budget director of its approval of an
25 expenditure or transfer, the state budget director shall
26 immediately make the expenditure or transfer. The authorized
27 judicial entity agent shall be designated by the chief justice of

1 the supreme court.

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

3 (a) "DOJ" means the United States Department of Justice.

4 (b) "DOT" means the United States Department of
5 Transportation.

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

7 (d) "HHS" means the United States Department of Health and
8 Human Services.

9 (e) "IDG" means interdepartmental grant.

10 (f) "OASI" means old age survivor's insurance.

11 (g) "SADO" means the state appellate defender office created
12 under the appellate defender act, 1978 PA 620, MCL 780.711 to
13 780.719.

14 (h) "Title IV-D" means the part of the federal social security
15 act, 42 USC 301 to 1397mm, pertaining to the child support
16 enforcement program.

17 (i) "Title IV-E" means the part of the federal social security
18 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

19 Sec. 204. 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. 205. Funds appropriated in part 1 shall not be used for

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

10 Sec. 207. Not later than January 1 of each year, the state
11 court administrative office shall prepare a report on out-of-state
12 travel listing all travel by judicial branch employees outside this
13 state in the immediately preceding fiscal year that was funded in
14 whole or in part with funds appropriated in the budget for the
15 judicial branch. The report shall be submitted to the senate and
16 house appropriations committees, the senate and house fiscal
17 agencies, and the state budget director. The report shall include
18 the following information:

19 (a) The dates of each travel occurrence.

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

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 program or program areas. The report shall be
4 transmitted to the chairpersons of the senate and house
5 appropriations committees and the senate and house fiscal agencies.

6 Sec. 211. From the funds appropriated in part 1, the judicial
7 branch shall maintain a searchable website accessible by the public
8 at no cost that includes all expenditures made by the judicial
9 branch within a fiscal year. The posting shall include the purpose
10 for which each expenditure is made. The judicial branch shall not
11 provide financial information on its website under this section if
12 doing so would violate a federal or state law, rule, regulation, or
13 guideline that establishes privacy or security standards applicable
14 to that financial information.

15 Sec. 212. Within 14 days after the release of the executive
16 budget recommendation, the judicial branch shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 committee chairs, the senate and house appropriations subcommittee
19 chairs, and the senate and house fiscal agencies with an annual
20 report on estimated state restricted fund balances, state
21 restricted fund projected revenues, and state restricted fund
22 expenditures for the fiscal years ending September 30, 2017 and
23 September 30, 2018.

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

1 Sec. 214. Total authorized appropriations from all sources
2 under part 1 for legacy costs for the fiscal year ending September
3 30, 2018 are estimated at \$13,963,100.00. From this amount, total
4 judiciary appropriations for pension-related legacy costs are
5 estimated at \$7,185,500.00. Total judiciary appropriations for
6 retiree health care legacy costs are estimated at \$6,777,600.00.

7 Sec. 215. The judicial branch shall not take disciplinary
8 action against an employee for communicating with a member of the
9 legislature or his or her staff.

10 Sec. 216. It is the intent of the legislature that judges who
11 are presiding over a hearing on a foster care case shall publicly
12 acknowledge and request the input of the foster parent or foster
13 parents during the hearing.

14 Sec. 217. If the judicial branch makes any changes to a foster
15 care family service plan before its finalization, it is the intent
16 of the legislature that the presiding judge provide an explanation
17 for any changes to that plan in the court record.

18 Sec. 218. The judicial branch shall receive and retain copies
19 of all reports funded from appropriations in part 1. Federal and
20 state guidelines for short-term and long-term retention of records
21 shall be followed. The judicial branch may electronically retain
22 copies of reports unless otherwise required by federal and state
23 guidelines.

24 JUDICIAL BRANCH

25 Sec. 301. From the funds appropriated in part 1, the direct
26 trial court automation support program of the state court

1 administrative office shall recover direct and overhead costs from
2 trial courts by charging for services rendered. The fee shall cover
3 the actual costs incurred to the direct trial court automation
4 support program in providing the service, including development of
5 future versions of case management systems.

6 Sec. 302. Funds appropriated within the judicial branch shall
7 not be expended by any component within the judicial branch without
8 the approval of the supreme court.

9 Sec. 303. Of the amount appropriated in part 1 for the
10 judicial branch, \$711,900.00 is allocated for circuit court
11 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
12 costs associated with the court of claims.

13 Sec. 306. By February 1, the state court administrative office
14 shall produce a statistical report, categorized by county,
15 regarding both the collected and uncollected amounts of restitution
16 payments, court fees, and any other applicable judgments placed
17 upon persons within the county, reported for the year 2016.

18 Sec. 307. From the funds appropriated in part 1 for mental
19 health courts and diversion services, \$1,730,000.00 is intended to
20 address the recommendations of the mental health diversion council.

21 Sec. 308. If sufficient funds are not available from the court
22 fee fund to pay judges' compensation, the difference between the
23 appropriated amount from that fund for judges' compensation and the
24 actual amount available after the amount appropriated for trial
25 court reimbursement is made shall be appropriated from the state
26 general fund for judges' compensation. If an appropriation is made
27 under this section, the state court administrative office shall

1 notify, within 14 days of the appropriation, the senate and house
2 standing committees on appropriations, the senate and house
3 appropriations subcommittees on judiciary, the senate and house
4 fiscal agencies, and the state budget office.

5 Sec. 309. By April 1, the state court administrative office
6 shall provide a report on drug treatment, mental health, and
7 veterans court programs in this state. The report shall include
8 information on the number of each type of program that has been
9 established, the number of program participants in each
10 jurisdiction, and the impact of the programs on offender criminal
11 involvement and recidivism. The report shall be submitted to the
12 senate and house appropriations subcommittees on judiciary, the
13 senate and house fiscal agencies, and the state budget director.

14 Sec. 311. (1) The funds appropriated in part 1 for drug
15 treatment courts as that term is defined in section 1060 of the
16 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
17 administered by the state court administrative office to operate
18 drug treatment court programs. A drug treatment court shall be
19 responsible for handling cases involving substance abusing
20 nonviolent offenders through comprehensive supervision, testing,
21 treatment services, and immediate sanctions and incentives. A drug
22 treatment court shall use all available county and state personnel
23 involved in the disposition of cases including, but not limited to,
24 parole and probation agents, prosecuting attorneys, defense
25 attorneys, and community corrections providers. The funds may be
26 used in connection with other federal, state, and local funding
27 sources.

1 (2) From the funds appropriated in part 1, the chief justice
2 shall allocate sufficient funds for the Michigan judicial institute
3 to provide in-state training for those identified in subsection
4 (1), including training for new drug treatment court judges.

5 (3) For drug treatment court grants, consideration for
6 priority may be given to those courts where higher instances of
7 substance abuse cases are filed.

8 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
9 grant funding as an interdepartmental grant from the department of
10 state police to be used for expansion of drug treatment courts, to
11 assist in avoiding prison bed space growth for nonviolent offenders
12 in collaboration with the department of corrections.

13 Sec. 312. From the funds appropriated in part 1, the state
14 court administrator shall produce a statistical report regarding
15 the implementation of the parental rights restoration act, 1990 PA
16 211, MCL 722.901 to 722.908, as it pertains to minors seeking
17 court-issued waivers of parental consent. The state court
18 administrative office shall report the total number of petitions
19 filed and the total number of petitions granted under that act.

20 Sec. 313. From the funds appropriated in part 1 for the
21 medication-assisted treatment program, the judiciary shall
22 establish a medication-assisted treatment program to provide
23 treatment for opioid-addicted and alcohol-addicted individuals who
24 are referred to and voluntarily participate in the medication-
25 assisted treatment program.

26 Sec. 316. (1) From the funds appropriated in part 1 for
27 pretrial risk assessment, the state court administrative office

1 shall pilot a pretrial risk assessment tool in an effort to provide
2 relevant information to judges so they can make evidence-based bond
3 decisions that will increase public safety and reduce costs
4 associated with unnecessary pretrial detention.

5 (2) The state court administrative office shall submit a
6 status report by February 1 to the senate and house appropriations
7 subcommittees on judiciary, the senate and house fiscal agencies,
8 and the state budget director that outlines plans for piloting the
9 tool and an implementation timeline.

10 (3) The state court administrative office shall submit a
11 report by October 30 to the senate and house appropriations
12 subcommittees on judiciary, the senate and house fiscal agencies,
13 and the state budget director on costs associated with piloting the
14 pretrial risk assessment tool.

15 Sec. 317. Funds appropriated in part 1 shall not be used for
16 the permanent assignment of state-owned vehicles to justices or
17 judges or any other judicial branch employee. This section does not
18 preclude the use of state-owned motor pool vehicles for state
19 business in accordance with approved guidelines.

20 Sec. 320. (1) From the funds appropriated in part 1 for the
21 swift and sure sanctions program, created under section 3 of
22 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
23 771A.3, the state court administrative office shall administer a
24 program to distribute grants to qualifying courts in accordance
25 with the objectives and requirements of the probation swift and
26 sure sanctions act, chapter XIA of the code of criminal procedure,
27 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$3,500,000.00 designated

1 for the program, not more than \$100,000.00 shall be available to
2 the state court administrative office to pay for employee costs
3 associated with the administration of the program funds. Of the
4 funds designated for the program, \$500,000.00 is reserved for
5 programs in counties that had more than 325 individuals sentenced
6 to prison in the previous calendar year. Courts interested in
7 participating in the swift and sure sanctions program may apply to
8 the state court administrative office for a portion of the funds
9 appropriated in part 1 under this section.

10 (2) By April 1, the state court administrative office, in
11 cooperation with the Michigan department of corrections, shall
12 provide a report on the courts that receive funding under the swift
13 and sure sanctions program described in subsection (1) to the
14 senate and house appropriations subcommittees on judiciary, the
15 senate and house fiscal agencies, and the state budget director.
16 The report shall include all of the following:

17 (a) The number of offenders who participate in the program.

18 (b) The criminal history of offenders who participate in the
19 program.

20 (c) The recidivism rate of offenders who participate in the
21 program, including the rate of return to jail, prison, or both.

22 (d) A detailed description of the establishment and parameters
23 of the program.

24 (3) As used in this section, "program" means a swift and sure
25 sanctions program described in subsection (1).

26 Sec. 321. From the funds appropriated in part 1, the judicial
27 branch shall support a statewide legal self-help internet website

1 and local nonprofit self-help centers that use the statewide
 2 website to provide assistance to individuals representing
 3 themselves in civil legal proceedings. The state court
 4 administrative office shall summarize the costs of maintaining the
 5 website, provide statistics on the number of people visiting the
 6 website, and provide information on content usage, form completion,
 7 and user feedback. By March 1, the state court administrative
 8 office shall report this information for the preceding fiscal year
 9 to the senate and house appropriations subcommittees on judiciary,
 10 the senate and house fiscal agencies, and the state budget
 11 director.

12 Sec. 322. If Byrne formula grant funding is awarded to the
 13 state appellate defender, the state appellate defender office may
 14 receive and expend Byrne formula grant funds in an amount not to
 15 exceed \$250,000.00 as an interdepartmental grant from the
 16 department of state police. If the appellate defender appointed
 17 under section 3 of the appellate defender act, 1978 PA 620, MCL
 18 780.713, receives federal grant funding from the United States
 19 Department of Justice in excess of the amount appropriated in part
 20 1, the office of appellate defender may receive and expend grant
 21 funds in an amount not to exceed \$300,000.00 as other federal
 22 grants.

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 401. (1) The state appellate defender office attorneys
 25 and support staff shall increase to ensure Michigan compliance with
 26 Montgomery v Louisiana, 577 US _____ (2016). The purpose of the

1 program expansion is to ensure competent, resourced, and supervised
2 counsel in cases involving the resentencing of juvenile lifers. The
3 representation by SADO counsel will create opportunities for
4 release, saving prison costs for the state.

5 (2) From the funds appropriated in part 1, the state appellate
6 defender office shall submit a report by September 30 to the senate
7 and house appropriations subcommittees on judiciary, the senate and
8 house fiscal agencies, and the state budget director on the number
9 of juvenile lifer cases investigated and prepared by the state
10 appellate defender office. The report shall include a calculation
11 of hours spent and focus on incremental costs associated with
12 investigating and conducting a robust examination of each case,
13 with particular emphasis on those costs that may be avoided after
14 the cases have been disposed.

15 PART 2A

16 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

17 FOR FISCAL YEAR 2018-2019

18 GENERAL SECTIONS

19 Sec. 1201. It is the intent of the legislature to provide
20 appropriations for the fiscal year ending on September 30, 2019 for
21 the line items listed in part 1. The fiscal year 2018-2019
22 appropriations are anticipated to be the same as those for fiscal
23 year 2017-2018, except that the line items will be adjusted for
24 changes in caseload and related costs, federal fund match rates,
25 economic factors, and available revenue. These adjustments will be

1 determined after the January 2018 consensus revenue estimating
 2 conference.

3 ARTICLE XIII

4 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

5 PART 1

6 LINE-ITEM APPROPRIATIONS

7 Sec. 101. There is appropriated for the department of
 8 licensing and regulatory affairs for the fiscal year ending
 9 September 30, 2018, from the following funds:

10 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

11 APPROPRIATION SUMMARY

12	Full-time equated unclassified positions	57.5	
13	Full-time equated classified positions	2,302.3	
14	GROSS APPROPRIATION		\$ 440,465,000
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers		47,835,100
18	ADJUSTED GROSS APPROPRIATION		\$ 392,629,900
19	Federal revenues:		
20	Total federal revenues		65,020,900
21	Special revenue funds:		
22	Total local revenues		250,000
23	Total private revenues		111,800
24	Total state restricted revenues		283,230,600
25	State general fund/general purpose		\$ 44,016,600

1	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Full-time equated unclassified positions	57.5
3	Full-time equated classified positions	108.0
4	Unclassified salaries--57.5 FTE positions	\$ 5,007,500
5	Administrative services--77.0 FTE positions	8,692,300
6	Executive director programs--24.0 FTE positions	3,216,500
7	FOIA coordination--2.0 FTE positions	309,700
8	Local community stabilization authority--1.0 FTE	
9	position.....	150,000
10	Office for new Americans--4.0 FTE positions	467,300
11	Property management	11,778,400
12	Worker's compensation	<u>381,800</u>
13	GROSS APPROPRIATION	\$ 30,003,500
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG-DIFS, accounting services	150,000
17	IDG-TED, unemployment hearings	588,000
18	Federal revenues:	
19	DED-vocational rehabilitation and independent living .	905,600
20	DOE-heating oil and propane	25,000
21	DOL-occupational safety and health	725,000
22	EPA-underground storage tanks	29,100
23	HHS-Medicaid, certification of health care providers	
24	and suppliers.....	403,400
25	HHS-Medicare, certification of health care providers	
26	and suppliers.....	587,800
27	Special revenue funds:	

1	Local stabilization authority contract	150,000
2	Aboveground storage tank fees	92,300
3	Accountancy enforcement fund	54,300
4	Asbestos abatement fund	140,700
5	Boiler inspection fund	264,600
6	Builder enforcement fund	99,600
7	Construction code fund	922,700
8	Corporation fees	5,004,400
9	Elevator fees	272,200
10	Fire alarm fees	7,000
11	Fire safety standard and enforcement fund	2,100
12	Fire service fees	483,000
13	Fireworks safety fund	59,300
14	Health professions regulatory fund	1,572,200
15	Health systems fees	225,500
16	Licensing and regulation fund	908,100
17	Liquor license revenue	300,000
18	Liquor purchase revolving fund	4,328,600
19	Marihuana registry fund	636,400
20	Michigan unarmed combat fund	5,900
21	Mobile home code fund	314,900
22	Nurse professional fund	36,300
23	PMECSEMA fund	44,100
24	Private occupational school license fees	55,200
25	Property development fees	7,300
26	Public utility assessments	2,536,400
27	Radiological health fees	217,700

1	Real estate appraiser education fund	2,600
2	Real estate education fund	7,000
3	Real estate enforcement fund	10,800
4	Refined petroleum fund	185,800
5	Restructuring mechanism assessments	12,100
6	Retired engineers technical assistance program fund ..	7,000
7	Safety education and training fund	780,400
8	Second injury fund	244,700
9	Securities fees	3,724,300
10	Securities investor education and training fund	9,200
11	Security business fund	4,000
12	Self-insurers security fund	128,800
13	Silicosis and dust disease fund	110,800
14	Survey and remonumentation fund	94,300
15	Tax tribunal fund	1,160,000
16	Utility consumer representation fund	54,000
17	Worker's compensation administrative revolving fund ..	102,700
18	State general fund/general purpose	\$ 1,210,300
19	Sec. 103. ENERGY AND UTILITY PROGRAMS	
20	Full-time equated classified positions	208.0
21	Michigan agency for energy--58.0 FTE positions	\$ 12,624,800
22	Public service commission--150.0 FTE positions	<u>25,895,300</u>
23	GROSS APPROPRIATION	\$ 38,520,100
24	Appropriated from:	
25	Federal revenues:	
26	DOE-heating oil and propane	3,781,700
27	DOT-gas pipeline safety	2,190,300

1	Special revenue funds:	
2	Public utility assessments	30,892,700
3	Restructuring mechanism assessments	609,600
4	Retired engineers technical assistance program fund ..	488,000
5	State general fund/general purpose	\$ 557,800
6	Sec. 104. LIQUOR CONTROL COMMISSION	
7	Full-time equated classified positions	143.0
8	Liquor licensing and enforcement--115.0 FTE positions	\$ 15,435,800
9	Management support services--28.0 FTE positions	<u>4,455,900</u>
10	GROSS APPROPRIATION	\$ 19,891,700
11	Appropriated from:	
12	Special revenue funds:	
13	Direct shipper enforcement revolving fund	127,800
14	Liquor license fee enhancement fund	76,400
15	Liquor license revenue	7,471,800
16	Liquor purchase revolving fund	12,215,700
17	State general fund/general purpose	\$ 0
18	Sec. 105. OCCUPATIONAL REGULATION	
19	Full-time equated classified positions	1,123.9
20	Bureau of community and health systems--433.9 FTE	
21	positions.....	\$ 62,226,900
22	Bureau of construction codes--171.0 FTE positions	21,122,900
23	Bureau of fire services--78.0 FTE positions	11,013,600
24	Bureau of professional licensing--210.0 FTE positions	40,580,600
25	Corporations, securities, and commercial licensing	
26	bureau--118.0 FTE positions	15,411,400
27	Medical marihuana facilities licensing and tracking--	

1	88.0 FTE positions.....	16,540,300
2	Medical marihuana program--25.0 FTE positions	<u>4,949,100</u>
3	GROSS APPROPRIATION	\$ 171,844,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG-MDE, child care licensing	17,522,700
7	Federal revenues:	
8	DHS-fire training systems	28,000
9	DOT-hazardous materials training and planning	60,000
10	EPA-underground storage tanks	804,400
11	HHS-Medicaid, certification of health care providers	
12	and suppliers.....	9,258,700
13	HHS-Medicare, certification of health care providers	
14	and suppliers.....	12,438,200
15	Special revenue funds:	
16	Aboveground storage tank fees	203,100
17	Accountancy enforcement fund	688,300
18	Boiler inspection fund	3,352,300
19	Builder enforcement fund	643,600
20	Construction code fund	7,789,500
21	Corporation fees	7,061,000
22	Distance education fund	301,100
23	Elevator fees	4,296,700
24	Fire alarm fees	127,600
25	Fire safety standard and enforcement fund	40,100
26	Fire service fees	2,511,700
27	Fireworks safety fund	698,600

1	Health professions regulatory fund	23,913,500
2	Health systems fees	3,730,900
3	Licensing and regulation fund	11,376,800
4	Liquor purchase revolving fund	143,200
5	Marihuana registry fund	4,949,100
6	Marihuana regulatory fund	16,540,300
7	Michigan unarmed combat fund	146,000
8	Mobile home code fund	3,031,600
9	Nurse professional fund	1,963,800
10	Nursing home administrative penalties	100,000
11	PMECSEMA fund	1,851,500
12	Private occupational school license fees	522,900
13	Property development fees	318,100
14	Real estate appraiser education fund	64,000
15	Real estate education fund	344,400
16	Real estate enforcement fund	704,400
17	Refined petroleum fund	2,643,400
18	Securities fees	5,014,600
19	Securities investor education and training fund	501,200
20	Security business fund	340,100
21	Survey and remonumentation fund	856,200
22	State general fund/general purpose	\$ 24,963,200
23	Sec. 106. EMPLOYMENT SERVICES	
24	Full-time equated classified positions	464.4
25	Bureau of employment relations--22.0 FTE positions ...	\$ 4,236,100
26	Bureau of services for blind persons--113.0 FTE	
27	positions.....	24,766,800

1	Compensation supplement fund	1,820,000
2	First responder presumed coverage claims	1,780,000
3	Insurance funds administration--23.0 FTE positions ...	5,265,600
4	Michigan occupational safety and health	
5	administration--197.0 FTE positions	29,022,400
6	Radiation safety section--21.4 FTE positions	3,259,700
7	Wage and hour program--32.0 FTE positions	3,763,800
8	Workers' compensation agency--56.0 FTE positions	<u>8,077,300</u>
9	GROSS APPROPRIATION	\$ 81,991,700
10	Appropriated from:	
11	Federal revenues:	
12	DED-vocational rehabilitation and independent living .	18,538,800
13	DOL-occupational safety and health	11,866,500
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	806,800
19	Corporation fees	9,491,100
20	First responder presumed coverage fund	1,980,000
21	Michigan business enterprise program fund	400,000
22	Radiological health fees	2,746,400
23	Safety education and training fund	9,800,000
24	Second injury fund	2,602,200
25	Securities fees	8,701,100
26	Self-insurers security fund	1,571,500
27	Silicosis and dust disease fund	1,091,900

1	Worker's compensation administrative revolving fund ..	1,662,600
2	State general fund/general purpose	\$ 10,007,700
3	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
4	Full-time equated classified positions	236.0
5	Michigan administrative hearing system--218.0 FTE	
6	positions.....	\$ 38,147,000
7	Michigan compensation appellate commission--18.0 FTE	
8	positions.....	<u>4,622,200</u>
9	GROSS APPROPRIATION	\$ 42,769,200
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG revenues - administrative hearings and rules	25,290,300
13	IDG-TED, unemployment hearings	4,284,100
14	Federal revenues:	
15	DOL-occupational safety and health	153,900
16	Special revenue funds:	
17	Construction code fund	25,600
18	Corporation fees	3,066,300
19	Health professions regulatory fund	386,000
20	Health systems fees	153,900
21	Licensing and regulation fund	834,600
22	Liquor purchase revolving fund	950,300
23	Public utility assessments	2,503,700
24	Safety education and training fund	61,500
25	Securities fees	2,370,400
26	Tax tribunal fund	1,859,200
27	Worker's compensation administrative revolving fund ..	135,200

1	State general fund/general purpose	\$	694,200
2	Sec. 108. COMMISSIONS		
3	Full-time equated classified positions	19.0	
4	Asian Pacific American affairs commission--1.0 FTE		
5	position.....	\$	132,400
6	Commission on Middle Eastern American affairs--1.0 FTE		
7	position.....		135,000
8	Hispanic/Latino commission of Michigan--1.0 FTE		
9	position.....		281,000
10	Michigan indigent defense commission--16.0 FTE		
11	positions.....		<u>2,386,800</u>
12	GROSS APPROPRIATION	\$	2,935,200
13	Appropriated from:		
14	Special revenue funds:		
15	State general fund/general purpose	\$	2,935,200
16	Sec. 109. DEPARTMENT GRANTS		
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	Utility consumer representation		<u>750,000</u>
24	GROSS APPROPRIATION	\$	29,975,700
25	Appropriated from:		
26	Special revenue funds:		
27	Fire protection fund		8,500,000

1	Fireworks safety fund	2,000,000
2	Liquor license revenue	7,200,000
3	Marihuana registry fund	3,000,000
4	Survey and remonumentation fund	7,300,000
5	Utility consumer representation fund	750,000
6	State general fund/general purpose	\$ 1,225,700
7	Sec. 110. INFORMATION TECHNOLOGY	
8	Information technology services and projects	\$ <u>21,533,100</u>
9	GROSS APPROPRIATION	\$ 21,533,100
10	Appropriated from:	
11	DED-vocational rehabilitation and independent living .	1,229,800
12	DOE-heating oil and propane	24,000
13	DOL-occupational safety and health	364,500
14	DOT-gas pipeline safety	45,000
15	EPA-underground storage tanks	100,200
16	HHS-Medicaid, certification of health care providers	
17	and suppliers.....	325,900
18	HHS-Medicare, certification of health care providers	
19	and suppliers.....	621,800
20	Special revenue funds:	
21	Aboveground storage tank fees	54,600
22	Accountancy enforcement fund	1,100
23	Asbestos abatement fund	52,500
24	Boiler inspection fund	383,100
25	Construction code fund	1,047,500
26	Corporation fees	3,495,700
27	Distance education fund	6,000

1	Elevator fees	431,100
2	Fire safety standard and enforcement fund	3,000
3	Fire service fees	199,200
4	Fireworks safety fund	35,200
5	Health professions regulatory fund	1,230,700
6	Health systems fees	228,200
7	Licensing and regulation fund	1,830,500
8	Liquor purchase revolving fund	2,895,900
9	Marihuana registry fund	298,900
10	Michigan unarmed combat fund	6,800
11	Mobile home code fund	305,800
12	PMECSEMA fund	178,600
13	Private occupational school license fees	21,900
14	Public utility assessments	1,494,900
15	Radiological health fees	143,300
16	Real estate appraiser education fund	1,000
17	Real estate education fund	4,900
18	Refined petroleum fund	170,800
19	Restructuring mechanism assessments	40,100
20	Retired engineers technical assistance program fund ..	5,000
21	Safety education and training fund	392,800
22	Second injury fund	465,600
23	Securities fees	1,094,600
24	Securities investor education and training fund	1,000
25	Self-insurers security fund	343,100
26	Silicosis and dust disease fund	138,400
27	Survey and remonumentation fund	74,100

1	Tax tribunal fund	323,500
2	State general fund/general purpose	\$ 1,422,500
3	Sec. 111. ONE-TIME BASIS ONLY	
4	Fire protection grants enhancement - one-time	\$ <u>1,000,000</u>
5	GROSS APPROPRIATION	\$ 1,000,000
6	Appropriated from:	
7	Special revenue funds:	
8	State general fund/general purpose	\$ 1,000,000

9 PART 2

10 PROVISIONS CONCERNING APPROPRIATIONS

11 FOR FISCAL YEAR 2017-2018

12 **GENERAL SECTIONS**

13 Sec. 201. Pursuant to section 30 of article IX of the state
 14 constitution of 1963, total state spending from state resources
 15 under part 1 for fiscal year 2017-2018 is \$327,247,200.00 and state
 16 spending from state resources to be paid to local units of
 17 government for fiscal year 2017-2018 is \$30,225,700.00. The
 18 itemized statement below identifies appropriations from which
 19 spending to local units of government will occur:

20 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

21	Fire protection grants.....	\$ 9,273,900
22	Firefighter training grants.....	2,000,000
23	Liquor law enforcement grants	7,200,000
24	Medical marihuana operation and oversight grants	3,000,000
25	Remonumentation grants	7,300,000

1	Subregional libraries state aid	451,800
2	Fire protection grants enhancement one-time	<u>1,000,000</u>
3	Total department of licensing and regulatory	
4	affairs.....	\$ 30,225,700

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) "DED" means the United States Department of Education.

10 (b) "Department" means the department of licensing and
11 regulatory affairs.

12 (c) "DHHS" means the Michigan department of health and human
13 services.

14 (d) "DHS" means the United States Department of Homeland
15 Security.

16 (e) "DIFS" means the department of insurance and financial
17 services.

18 (f) "Director" means the director of the department.

19 (g) "DOE" means the United States Department of Energy.

20 (h) "DOL" means the United States Department of Labor.

21 (i) "DOT" means the United States Department of
22 Transportation.

23 (j) "EPA" means the United States Environmental Protection
24 Agency.

25 (k) "FOIA" means the freedom of information act, 1976 PA 442,
26 MCL 15.231 to 15.246.

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

1 (m) "HHS" means the United States Department of Health and
2 Human Services.

3 (n) "IDG" means interdepartmental grant.

4 (o) "IT" means information technology.

5 (p) "MDE" means the Michigan department of education.

6 (q) "PMECSEMA" means pain management education and controlled
7 substances electronic monitoring and antidiversion.

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

11 (s) "TED" means the Michigan department of talent and economic
12 development.

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. 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 where travel is approved by a departmental employee's
10 immediate supervisor and in which 1 or more of the following
11 conditions apply:

12 (a) The travel is required by legal mandate or court order or
13 for law enforcement purposes.

14 (b) The travel is necessary to protect the health or safety of
15 Michigan citizens or visitors or to assist other states in similar
16 circumstances.

17 (c) The travel is necessary to produce budgetary savings or to
18 increase state revenues, including protecting existing federal
19 funds or securing additional federal funds.

20 (d) The travel is necessary to comply with federal
21 requirements.

22 (e) The travel is necessary to secure specialized training for
23 staff that is not available within this state.

24 (f) The travel is financed entirely by federal or nonstate
25 funds.

26 (2) The department shall not approve the travel of more than 1
27 departmental employee to a specific professional development

1 conference or training seminar that is located outside of this
2 state unless a professional development conference or training
3 seminar is funded by a federal or private funding source and
4 requires more than 1 person from a department to attend, or the
5 conference or training seminar includes multiple issues in which 1
6 employee from the department does not have expertise.

7 (3) Not later than January 1, each department shall prepare a
8 travel report listing all travel by classified and unclassified
9 employees outside this state in the immediately preceding fiscal
10 year that was funded in whole or in part with funds appropriated in
11 the department's budget. The report shall be submitted to the house
12 and senate appropriations committees, the senate and house fiscal
13 agencies, and the state budget director. The report shall include
14 all of the following information:

15 (a) The name of each person receiving reimbursement for travel
16 outside this state or whose travel costs were paid by this state.

17 (b) The destination of each travel occurrence.

18 (c) The dates of each travel occurrence.

19 (d) A brief statement of the reason for each travel
20 occurrence.

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

26 (f) A total of all out-of-state travel funded for the
27 immediately preceding fiscal year.

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

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

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

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$25,000,000.00 for state
23 restricted 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.

27 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$1,000,000.00 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 \$500,000.00 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. 211. The department shall cooperate with the department
13 of technology, management, and budget to maintain a searchable
14 website accessible by the public at no cost that includes, but is
15 not limited to, all of the following for each department or agency:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 212. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 committee chairs, the senate and house appropriations subcommittee

1 chairs, and the senate and house fiscal agencies with an annual
2 report on estimated state restricted fund balances, state
3 restricted fund projected revenues, and state restricted fund
4 expenditures for the preceding and current fiscal years.

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

9 Sec. 214. Total authorized appropriations from all sources
10 under part 1 for legacy costs for the fiscal year ending September
11 30, 2018 are estimated at \$56,364,700.00. From this amount, total
12 agency appropriations for pension-related legacy costs are
13 estimated at \$29,005,600.00. Total agency appropriations for
14 retiree health care legacy costs are estimated at \$27,359,100.00.

15 Sec. 215. Unless prohibited by law, the department may accept
16 credit card or other electronic means of payment for licenses,
17 fees, or permits.

18 Sec. 217. The department shall receive and retain copies of
19 all reports funded from appropriations in part 1. Federal and state
20 guidelines for short-term and long-term retention of records shall
21 be followed. The department may electronically retain copies or
22 reports unless otherwise required by federal and state guidelines.

23 Sec. 218. The department shall not take disciplinary action
24 against an employee for communicating with a member of the
25 legislature or his or her staff.

26 Sec. 219. The department shall not develop or produce any
27 television or radio productions.

1 Sec. 220. The department, in conjunction with the department
2 of health and human services, shall maintain an accounting
3 structure within the state's accounting system that will allow
4 expenditures associated with the administration of the Healthy
5 Michigan plan to be identified.

6 Sec. 221. The department may carry into the succeeding fiscal
7 year unexpended federal pass-through funds to local institutions
8 and governments that do not require additional state matching
9 funds. Federal pass-through funds to local institutions and
10 governments that are received in amounts in addition to those
11 included in part 1 and that do not require additional state
12 matching funds are appropriated for the purposes intended. Within
13 14 days after the receipt of federal pass-through funds, the
14 department shall notify the house and senate chairpersons of the
15 subcommittees, the senate and house fiscal agencies, and the state
16 budget director of pass-through funds appropriated under this
17 section.

18 Sec. 222. (1) Grants supported with private revenues received
19 by the department are appropriated upon receipt and are available
20 for expenditure by the department, subject to subsection (3), for
21 purposes specified within the grant agreement and as permitted
22 under state and federal law.

23 (2) Within 10 days after the receipt of a private grant
24 appropriated in subsection (1), the department shall notify the
25 house and senate chairpersons of the subcommittees, the senate and
26 house fiscal agencies, and the state budget director of the receipt
27 of the grant, including the fund source, purpose, and amount of the

1 grant.

2 (3) The amount appropriated under subsection (1) shall not
3 exceed \$1,500,000.00.

4 Sec. 223. (1) The department may charge registration fees to
5 attendees of informational, training, or special events sponsored
6 by the department.

7 (2) These fees shall reflect the costs for the department to
8 sponsor the informational, training, or special events.

9 (3) Revenue generated by the registration fees is appropriated
10 upon receipt and available for expenditure to cover the
11 department's costs of sponsoring informational, training, or
12 special events.

13 (4) Revenue generated by registration fees in excess of the
14 department's costs of sponsoring informational, training, or
15 special events shall carry forward to the subsequent fiscal year
16 and not lapse to the general fund.

17 (5) The amount appropriated under subsection (3) shall not
18 exceed \$500,000.00.

19 Sec. 224. The department may make available to interested
20 entities otherwise unavailable customized listings of
21 nonconfidential information in its possession, such as names and
22 addresses of licensees. The department may establish and collect a
23 reasonable charge to provide this service. The revenue received
24 from this service is appropriated when received and shall be used
25 to offset expenses to provide the service. Any balance of this
26 revenue collected and unexpended at the end of the fiscal year
27 shall lapse to the appropriate restricted fund.

1 Sec. 225. (1) The department shall sell documents at a price
2 not to exceed the cost of production and distribution. Money
3 received from the sale of these documents shall revert to the
4 department. In addition to the funds appropriated in part 1, these
5 funds are available for expenditure when they are received by the
6 department of treasury. This subsection applies only for the
7 following documents:

8 (a) Corporation and securities division documents, reports,
9 and papers required or permitted by law pursuant to section 1060(5)
10 of the business corporation act, 1972 PA 284, MCL 450.2060.

11 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
12 436.1101 to 436.2303.

13 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
14 to 125.2350; the business corporation act, 1972 PA 284, MCL
15 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
16 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
17 2008 PA 551, MCL 451.2101 to 451.2703.

18 (d) Worker's compensation health care services rules.

19 (e) Construction code manuals.

20 (f) Copies of transcripts from administrative law hearings.

21 (2) In addition to the funds appropriated in part 1, funds
22 appropriated for the department under sections 55, 57, 58, and 59
23 of the administrative procedures act of 1969, 1969 PA 306, MCL
24 24.255, 24.257, 24.258, and 24.259, and section 203 of the
25 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
26 for all expenses necessary to provide for the cost of publication
27 and distribution.

1 (3) Unexpended funds at the end of the fiscal year shall carry
2 forward to the subsequent fiscal year and not lapse to the general
3 fund.

4 Sec. 226. (1) No later than March 1, the department shall
5 submit a report to the subcommittees and the senate and house
6 fiscal agencies pertaining to licensing and regulatory programs
7 during the previous fiscal year for the following agencies:

8 (a) Public service commission.

9 (b) Liquor control commission.

10 (c) Bureau of fire services.

11 (d) Bureau of construction codes.

12 (e) Corporations, securities, and commercial licensing bureau.

13 (f) Bureau of professional licensing.

14 (g) Bureau of community and health systems.

15 (h) Michigan occupational safety and health administration.

16 (2) The report shall be in a format that is consistent between
17 the agencies listed in subsection (1) and shall provide, but is not
18 limited to, the following information, as applicable, for each
19 agency in subsection (1):

20 (a) Revenue generated by and expenditures disbursed for each
21 regulatory product.

22 (b) Number of applications, both initial and renewal, for each
23 regulatory product.

24 (c) Number of applications, both initial and renewal, approved
25 for each regulatory product.

26 (d) Number of applications, both initial and renewal, denied
27 for each regulatory product.

1 (e) Average amount of time, both tolled and untolled, to
2 approve or deny applications, both initial and renewal, for each
3 regulatory product.

4 (f) Number of examinations proctored for initial applications
5 for each regulatory product.

6 (g) Number of complaints received pertaining to each regulated
7 activity.

8 (h) Number of investigations opened pertaining to each
9 regulated activity.

10 (i) Number of investigations closed pertaining to each
11 regulated activity.

12 (j) Average amount of time to close investigations pertaining
13 to each regulated activity.

14 (k) Number of enforcement actions pertaining to each regulated
15 activity.

16 (l) Number of administrative hearings pertaining to each
17 regulated activity.

18 (m) Number of administrative hearing adjudications pertaining
19 to each regulated activity.

20 (n) The type and amount of each fee charged to support each
21 regulated activity.

22 (3) As used in subsection (2), "regulatory product" means
23 licensure, certification, registration, inspection, review,
24 permitting, approval, or any other regulatory service provided by
25 the agencies specified in subsection (1) for each regulated
26 activity. As used in this subsection and subsection (2), "regulated
27 activity" means the particular activities, entities, facilities,

1 and industries regulated by the agencies specified in subsection
2 (1) .

3 **ENERGY AND UTILITY PROGRAMS**

4 Sec. 301. The Michigan Agency for Energy administers the low-
5 income energy assistance grant program on behalf of DHHS via an
6 interagency agreement. Funds supporting the grant program are
7 appropriated in the department upon awarding of grants and may be
8 expended for grant payments and administrative related expenses
9 incurred in the operation of the program.

10 **LIQUOR CONTROL COMMISSION**

11 Sec. 402. The liquor control commission shall expend the funds
12 as required under section 203(11) of the Michigan liquor control
13 code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit
14 unlawful direct shipments of wine by unlicensed wineries and
15 retailers. The liquor control commission shall provide a report to
16 the senate and house subcommittee chairs and the senate and house
17 fiscal agencies detailing the commission's activities to
18 investigate and audit the illegal shipping of wine and the results
19 of these activities. The report shall also include the estimated
20 loss of sales, excise, and use tax revenue for the state of
21 Michigan as a result of illegal shipments of wine. The report shall
22 be submitted by February 1.

23 **OCCUPATIONAL REGULATION**

24 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 Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. No later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability

1 company, that were exempted from paying licensure, registration,
2 filing, or any other fees collected under each licensure or
3 regulatory program administered by the bureau of construction codes
4 and the corporations, securities, and commercial licensing bureau
5 during the preceding fiscal year.

6 (b) The specific fees and total amount of revenue exempted
7 under each licensure or regulatory program administered by the
8 bureau of construction codes and the corporations, securities, and
9 commercial licensing bureau during the preceding fiscal year.

10 (c) The actual costs of providing licensing and other
11 regulatory services to veterans exempted from paying licensure,
12 registration, filing, or any other fees during the preceding fiscal
13 year and a description of how these costs were calculated.

14 (d) The estimated amount of revenue that will be exempted
15 under each licensure or regulatory program administered by the
16 bureau of construction codes and the corporations, securities, and
17 commercial licensing bureau in both the current and subsequent
18 fiscal years and a description of how the exempted revenue was
19 estimated.

20 Sec. 505. Funds remaining in the homeowner construction lien
21 recovery fund are appropriated to the department for payment of
22 court-ordered homeowner construction lien recovery fund judgments
23 entered before August 23, 2010. Pursuant to available funds, the
24 payment of final judgments shall be made in the order in which the
25 final judgments were entered and began accruing interest.

26 Sec. 507. The department shall submit by January 31 to the
27 standing committees on appropriations of the senate and house, the

1 senate and house fiscal agencies, and the state budget director a
2 report that includes all of the following information for the prior
3 fiscal year regarding the medical marihuana program under the
4 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
5 333.26430:

6 (a) The number of initial applications received.

7 (b) The number of initial applications approved and the number
8 of initial applications denied.

9 (c) The average amount of time, from receipt to approval or
10 denial, to process an initial application.

11 (d) The number of renewal applications received.

12 (e) The number of renewal applications approved and the number
13 of renewal applications denied.

14 (f) The average amount of time, from receipt to approval or
15 denial, to process a renewal application.

16 (g) The percentage of initial applications not approved or
17 denied within the time requirements established in section 6 of the
18 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

19 (h) The percentage of renewal applications not approved or
20 denied within the time requirements established in section 6 of the
21 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

22 (i) The percentage of registry identification cards for
23 approved initial applications not issued within the time
24 requirements established in section 6 of the Michigan medical
25 marihuana act, 2008 IL 1, MCL 333.26426.

26 (j) The percentage of registry identification cards for
27 approved renewal applications not issued within the time

1 requirements established in section 6 of the Michigan medical
2 marihuana act, 2008 IL 1, MCL 333.26426.

3 (k) The number of registry identification cards issued to or
4 renewed for patients residing in each county as of September 30 of
5 the preceding fiscal year under the Michigan medical marihuana act,
6 2008 IL 1, MCL 333.26421 to 333.26430.

7 (l) The amount collected from the medical marihuana program
8 application and renewal fees authorized in section 5 of the
9 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

10 (m) The costs of administering the medical marihuana program
11 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
12 to 333.26430.

13 Sec. 508. If the revenue collected by the department for
14 health systems administration or radiological health administration
15 and projects from fees and collections exceeds the amount
16 appropriated in part 1, the revenue may be carried forward into the
17 subsequent fiscal year. The revenue carried forward under this
18 section shall be used as the first source of funds in the
19 subsequent fiscal year.

20 Sec. 511. No later than February 1, the department shall
21 submit a report to the subcommittees, the senate and house fiscal
22 agencies, and the state budget director providing the following
23 information:

24 (a) The total amount of reimbursements made to local units of
25 government for delegated inspections of fireworks retail locations
26 pursuant to section 11 of the Michigan fireworks safety act, 2011
27 PA 256, MCL 28.461, from the funds appropriated in part 1 for the

1 bureau of fire services during the preceding fiscal year.

2 (b) The amount of reimbursement for delegated inspections of
3 fireworks retail locations for each local unit of government that
4 received reimbursement from the funds appropriated in part 1 for
5 the bureau of fire services during the preceding fiscal year.

6 Sec. 513. (1) Beginning October 1, for the purpose of
7 defraying the costs associated with responding to false final
8 inspection appointments and to discourage the practice of calling
9 for final inspections when the project is incomplete or
10 noncompliant with a plan of correction previously provided by the
11 bureau of fire services, the bureau of fire services may assess a
12 fee not to exceed \$200.00 for responding to a second or subsequent
13 confirmed false inspection appointment. Fees collected under this
14 section shall be deposited into the restricted account referenced
15 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
16 29.2c, and explicitly identified within the Michigan administrative
17 information network.

18 (2) Not later than September 30, the department shall prepare
19 a report that provides the amount of the fee assessed under
20 subsection (1), the number of fees assessed and issued per region,
21 the cost allocation for the work performed and reduced as a result
22 of this section, and any recommendations for consideration by the
23 legislature. The department shall submit this information to the
24 state budget director, the subcommittees, and the senate and house
25 fiscal agencies.

26 Sec. 515. (1) The department shall assess and collect fees in
27 the licensing and regulation of child care organizations, as

1 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
2 care facilities, as described in the adult foster care facility
3 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

4 (2) The department shall report the total amount of fees
5 assessed and collected under subsection (1) during the preceding
6 fiscal year to the senate and house fiscal agencies no later than
7 December 1 and shall provide information requested by the senate
8 and house fiscal agencies as they consider necessary to shift
9 authorization equivalent to that amount from the general
10 fund/general purpose to a state restricted fund within the
11 department's budget for fiscal year 2018-2019.

12 Sec. 517. The department shall submit a report on the Michigan
13 automated prescription system to the senate and house
14 appropriations committees and the senate and house fiscal agencies
15 by November 30. The report shall include, but is not limited to,
16 the following:

17 (a) Total number of licensed health professionals registered
18 to the Michigan automated prescription system.

19 (b) Total number of dispensers registered to the Michigan
20 automated prescription system.

21 (c) Total number of prescribers using the Michigan automated
22 prescription system.

23 (d) Total number of dispensers using the Michigan automated
24 prescription system.

25 (e) Number of cases related to overprescribing,
26 overdispensing, and drug diversion where the department took
27 administrative action as a result of information and data generated

1 from the Michigan automated prescription system.

2 (f) The number of integrations from the electronic health
3 record systems used by prescribers and dispensers with the Michigan
4 automated prescription system.

5 Sec. 518. From the amount appropriated in part 1 for the
6 bureau of community and health systems, upon receipt of the order
7 of suspension of a licensed adult foster care home, home for the
8 aged, or nursing home, the department shall serve the facility and
9 provide contemporaneous notice to the offices of legislators
10 representing a district where the licensed facility is situated.

11 Sec. 519. The department shall submit a report regarding the
12 medical marihuana facilities licensing and tracking program to the
13 standing committees on appropriations of the senate and house, the
14 senate and house fiscal agencies, and the state budget director by
15 March 1. The report shall include, but is not limited to, the
16 following:

17 (a) The number of initial license applications received for
18 each license category.

19 (b) The number of initial applications approved and the number
20 of initial license applications denied.

21 (c) The average amount of time, from receipt to approval or
22 denial, to process an initial application.

23 (d) The total number of license applications approved by
24 license category and by county.

25 (e) The total amount collected from application fees.

26 (f) The total amount collected from any established regulatory
27 assessment.

(g) The costs of administering the medical marihuana facilities licensing and tracking program.

EMPLOYMENT SERVICES

Sec. 704. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 705. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 707. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department shall charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the

1 department of treasury.

2 Sec. 708. Funds received in excess of the appropriation in
3 part 1 for first responder presumed coverage claims from the first
4 responder presumed coverage fund are appropriated in an amount
5 sufficient to pay approved claims due in the current fiscal year
6 pursuant to section 405 of the worker's disability compensation act
7 of 1969, 1969 PA 317, MCL 418.405.

8 **COMMISSIONS**

9 Sec. 800. If Byrne formula grant funding is awarded to the
10 Michigan indigent defense commission, the Michigan indigent defense
11 commission may receive and expend Byrne formula grant funds in an
12 amount not to exceed \$250,000.00 as an interdepartmental grant from
13 the department of state police. The Michigan indigent defense
14 commission, created under section 5 of the Michigan indigent
15 defense commission act, 2013 PA 93, MCL 780.985, may receive and
16 expend federal grant funding from the United States Department of
17 Justice in an amount not to exceed \$300,000.00 as other federal
18 grants.

19 Sec. 801. From the funds appropriated in part 1, the Michigan
20 indigent defense commission shall submit a report by September 30
21 to the senate and house appropriations subcommittees on judiciary,
22 the subcommittees, the senate and house fiscal agencies, and the
23 state budget director on the incremental costs associated with the
24 standard development process, the compliance plan process, and the
25 collection of data from all indigent defense systems and attorneys
26 providing indigent defense. Particular emphasis shall be placed on

1 those costs that may be avoided after standards are developed and
2 compliance plans are in place.

3 Sec. 802. The Michigan office for new Americans is to
4 coordinate with the Asian Pacific American affairs commission, the
5 Commission on Middle Eastern American affairs, and the
6 Hispanic/Latino commission of Michigan to produce a report by March
7 1 that is to be transmitted to the senate and house subcommittee
8 chairpersons and the senate and house fiscal agencies. The report
9 shall include, but is not limited to, the following:

10 (a) Total number of people with whom each commission directly
11 interacts through programming.

12 (b) Total number of public events that each commission
13 conducted.

14 (c) Description of the activities that the commissions
15 initiated to promote cooperation between the commissions.

16 (d) Total number of meetings that each commission held with
17 foreign diplomats.

18 (e) Programmatic costs of each commission.

19 **DEPARTMENT GRANTS**

20 Sec. 901. The appropriation in part 1 for fire protection
21 grants shall be appropriated to cities, villages, and townships
22 with state-owned facilities for fire services, instead of taxes, in
23 accordance with 1977 PA 289, MCL 141.951 to 141.956.

24 Sec. 902. (1) The department shall expend the funds
25 appropriated in part 1 for medical marihuana operation and
26 oversight grants for grants to county law enforcement offices for

1 the operation and oversight of the Michigan medical marihuana
2 program pursuant to section 6(1) of the Michigan medical marihuana
3 act, 2008 IL 1, MCL 333.26426. These grants shall be distributed
4 proportionately based on the number of registry identification
5 cards issued to or renewed for the residents of each county whose
6 county law enforcement office applied for a grant under subsection
7 (2). For the purposes of this subsection, operation and oversight
8 grants are for education, communication, and enforcement of the
9 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
10 333.26430.

11 (2) No later than December 1, the department shall post a
12 listing of potential grant money available to each county law
13 enforcement agency on its website. In addition, the department
14 shall work collaboratively with county law enforcement agencies,
15 the Michigan Sheriff's Association, and other representative law
16 enforcement organizations regarding the availability of these grant
17 funds. A county law enforcement agency requesting a grant shall
18 apply on a form developed by the department and available on the
19 website. The form shall contain the county law enforcement agency's
20 specific projected plan for use of the money and its agreement to
21 maintain all records and to submit documentation to the department
22 to support the use of the grant money.

23 (3) In order to be eligible to receive a grant under
24 subsection (1), a county law enforcement agency shall apply no
25 later than January 1 and agree to report how the grant was expended
26 and provide that report to the department no later than September
27 15. The department shall submit a report no later than October 15

1 of the subsequent fiscal year to the state budget director, the
2 subcommittees, and the senate and house fiscal agencies detailing
3 the grant amounts by recipient and the reported uses of the grants
4 in the preceding fiscal year.

5 (4) County law enforcement agencies may distribute
6 discretionary grants made under subsection (1) to municipal law
7 enforcement agencies for the operation and oversight of the
8 Michigan medical marihuana program pursuant to section 6(1) of the
9 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
10 county law enforcement agency distributes a discretionary grant in
11 this manner, that county law enforcement agency shall require the
12 receiving municipal law enforcement agency to provide a report on
13 how that grant was spent. Reports from municipal law enforcement
14 agencies shall be included as part of the report submitted to the
15 department as required in subsection (3).

16 (5) The fiscal year ending September 30, 2018 is anticipated
17 to be the final year that medical marihuana enforcement grants will
18 be disbursed to local units of government due to the implementation
19 of the medical marihuana facilities licensing act, 2016 PA 281, MCL
20 333.27101 to 333.27801, that provides local units of government
21 with disbursements from the medical marihuana excise tax
22 collections.

23 Sec. 903. (1) The amount appropriated in part 1 for
24 firefighter training grants shall only be expended for payments to
25 counties to reimburse organized fire departments for firefighter
26 training and other activities required under the firefighters
27 training council act, 1966 PA 291, MCL 29.361 to 29.377.

1 (2) If the amount appropriated in part 1 for firefighter
2 training grants is expended by the firefighter training council,
3 established in section 3 of the firefighters training council act,
4 1966 PA 291, MCL 29.363, for payments to counties under section 14
5 of the firefighters training council act, 1966 PA 291, MCL 29.374,
6 it is the intent of the legislature that:

7 (a) The amount appropriated in part 1 for firefighter training
8 grants shall be allocated pursuant to section 14(2) of the
9 firefighters training council act, 1966 PA 291, MCL 29.374.

10 (b) If the amount allocated to any county under subdivision
11 (a) is less than \$5,000.00, the amounts disbursed to each county
12 under subdivision (a) shall be adjusted to provide for a minimum
13 payment of \$5,000.00 to each county.

14 (3) No later than February 1, the department shall submit a
15 financial report to the subcommittees, the senate and house fiscal
16 agencies, and the state budget director identifying the following
17 information for the preceding fiscal year:

18 (a) The amount of the payments that would be made to each
19 county if the distribution formula described by the first sentence
20 of section 14(2) of the firefighters training council act, 1966 PA
21 291, MCL 29.374, would have been utilized to allocate the total
22 amount appropriated in part 1 for firefighter training grants.

23 (b) The amount of the payments approved by the firefighter
24 training council for allocation to each county.

25 (c) The amount of the payments actually expended or encumbered
26 within each county.

27 (d) A description of any other payments or expenditures made

1 under the authority of the firefighter training council.

2 (e) The amount of payments approved for allocations to
3 counties that was not expended or encumbered and lapsed back to the
4 fireworks safety fund.

5 Sec. 904. (1) The funds appropriated in part 1 for a regional
6 or subregional library shall not be released until a budget for
7 that regional or subregional library has been approved by the
8 department for expenditures for library services directly serving
9 the blind and persons with disabilities.

10 (2) In order to receive subregional state aid as appropriated
11 in part 1, a regional or subregional library's fiscal agency shall
12 agree to maintain local funding support at the same level in the
13 current fiscal year as in the fiscal agency's preceding fiscal
14 year. If a reduction in expenditures equally affects all agencies
15 in a local unit of government that is the regional or subregional
16 library's fiscal agency, that reduction shall not be interpreted as
17 a reduction in local support and shall not disqualify a regional or
18 subregional library from receiving state aid under part 1. If a
19 reduction in income affects a library cooperative or district
20 library that is a regional or subregional library's fiscal agency
21 or a reduction in expenditures for the regional or subregional
22 library's fiscal agency, a reduction in expenditures for the
23 regional or subregional library shall not be interpreted as a
24 reduction in local support and shall not disqualify a regional or
25 subregional library from receiving state aid under part 1.

ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions 9.0

Full-time equated classified positions 904.5

GROSS APPROPRIATION \$ 179,004,400

Interdepartmental grant and intradepartmental
transfer revenues:

Total interdepartmental grants and intradepartmental
transfers.....

101,800

ADJUSTED GROSS APPROPRIATION \$ 178,902,600

Federal revenues:

Total federal revenues

92,334,100

Special revenue funds:

Total local revenues

1,528,400

Total private revenues

640,000

Total other state restricted revenues

22,332,600

State general fund/general purpose \$ 62,067,500

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 59,567,500

1	One-time state general fund/general	
2	purpose	2,500,000
3	Sec. 102. MILITARY	
4	Full-time equated unclassified positions	9.0
5	Full-time equated classified positions	333.0
6	Unclassified salaries--9.0 FTE positions	\$ 1,468,300
7	Departmentwide	1,853,100
8	Headquarters and armories--88.0 FTE positions	17,317,800
9	Michigan youth challenge academy--50.0 FTE positions .	5,259,100
10	Military family relief fund	600,000
11	Military training sites and support facilities--195.0	
12	FTE positions	33,956,100
13	National Guard operations	398,200
14	National Guard tuition assistance fund	3,507,000
15	Starbase grant	<u>2,322,000</u>
16	GROSS APPROPRIATION	\$ 66,681,600
17	Appropriated from:	
18	Interdepartmental grant and intradepartmental	
19	transfer revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers	101,800
22	Federal revenues:	
23	Total federal revenues	47,200,100
24	Special revenue funds:	
25	Total local revenues	1,528,400
26	Total private revenues	100,000
27	Total other state restricted revenues	2,567,800

1	State general fund/general purpose	\$	15,183,500
2	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
3	Full-time equated classified positions		224.5
4	Board of managers (veterans' homes)	\$	940,000
5	D.J. Jacobetti home for veterans--179.5 FTE positions		22,275,500
6	Michigan veterans affairs agency administration--39.0		
7	FTE positions.....		7,133,200
8	Michigan veterans facility authority		1,000,000
9	Targeted grants		200,000
10	Veterans service grants		3,763,500
11	Veterans' trust fund administration--6.0 FTE positions		1,468,900
12	Veterans' trust fund grants		<u>3,746,500</u>
13	GROSS APPROPRIATION	\$	40,527,600
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues		8,396,100
17	Special revenue funds:		
18	Total private revenues		540,000
19	Total other state restricted revenues		10,730,100
20	State general fund/general purpose	\$	20,861,400
21	Sec. 104. GRAND RAPIDS HOME FOR VETERANS		
22	Full-time equated classified positions		347.0
23	Veterans' home operations	\$	9,007,800
24	Purchased services		10,342,700
25	Salaries, wages, and fringe benefits--347.0 FTE		
26	positions.....		<u>31,054,000</u>
27	GROSS APPROPRIATION	\$	50,404,500

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	21,165,600
4	Special revenue funds:	
5	Total other state restricted revenues	6,620,200
6	State general fund/general purpose	\$ 22,618,700
7	Sec. 105. CAPITAL OUTLAY	
8	Land and acquisitions	\$ 2,000,000
9	Special maintenance - National Guard	15,000,000
10	Special maintenance - veterans' homes	<u>500,000</u>
11	GROSS APPROPRIATION	\$ 17,500,000
12	Appropriated from:	
13	Federal revenues:	
14	Total federal revenues	15,000,000
15	Special revenue funds:	
16	Total other state restricted revenues	2,000,000
17	State general fund/general purpose	\$ 500,000
18	Sec. 106. INFORMATION TECHNOLOGY	
19	Information technology services and projects	\$ <u>1,390,700</u>
20	GROSS APPROPRIATION	\$ 1,390,700
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	572,300
24	Special revenue funds:	
25	Total other state restricted revenues	414,500
26	State general fund/general purpose	\$ 403,900
27	Sec. 107. ONE-TIME APPROPRIATIONS	

1	Armory maintenance	\$	<u>2,500,000</u>
2	GROSS APPROPRIATION	\$	2,500,000
3	Appropriated from:		
4	State general fund/general purpose	\$	2,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$84,400,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$142,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Michigan veterans affairs agency administration	\$	90,000
Military training sites and support facilities	\$	<u>52,400</u>
TOTAL	\$	142,400

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) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

1 (b) "Department" means the department of military and veterans
2 affairs.

3 (c) "Director" means the director of the department.

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

5 (e) "HVAC" means heating, ventilation, and air conditioning.

6 (f) "IDG" means interdepartmental grant.

7 (g) "Michigan veterans' facility authority" means the
8 authority created under section 3 of the Michigan veterans'
9 facility authority act, 2016 PA 560, MCL 36.103.

10 (h) "MVAA" means the Michigan veterans affairs agency.

11 (i) "Subcommittees" means the subcommittees of the senate and
12 house appropriations committees with jurisdiction over the budget
13 of the department.

14 (j) "Support services" means an activity, such as information
15 technology, accounting, human resources, legal, and other support
16 functions that are required to support the ongoing delivery of core
17 services.

18 (k) "USDVA" means the United States Department of Veterans
19 Affairs.

20 (l) "USDVA-VHA" means the USDVA Veterans Health
21 Administration.

22 (m) "VSO" means veterans service organization.

23 (n) "Work project" means that term as defined in section 404
24 of the management and budget act, 1984 PA 431, MCL 18.1404, and
25 that meets the criteria in section 451a(1) of the management and
26 budget act, 1984 PA 431, MCL 18.1451a.

27 Sec. 204. The department and agencies receiving appropriations

1 in part 1 shall use the internet to fulfill the reporting
2 requirements of this part. This requirement may include
3 transmission of reports via electronic mail to the recipients
4 identified for each reporting requirement, or it may include
5 placement of reports on an internet or intranet site.

6 Sec. 205. Funds appropriated in part 1 must not be used for
7 the purchase of foreign goods or services, or both, if
8 competitively priced and of comparable quality American goods or
9 services, or both, are available. Preference must be given to goods
10 or services, or both, manufactured or provided by Michigan
11 businesses, if they are competitively priced and of comparable
12 quality. In addition, preference must be given to goods or
13 services, or both, that are manufactured or provided by Michigan
14 businesses owned and operated by veterans, if they are
15 competitively priced and of comparable quality.

16 Sec. 206. The director shall take all reasonable steps to
17 ensure businesses in deprived and depressed communities compete for
18 and perform contracts to provide services or supplies, or both. The
19 director shall strongly encourage firms with which the department
20 contracts to subcontract with certified businesses in depressed and
21 deprived communities for services or supplies, or both.

22 Sec. 207. The department and agencies receiving appropriations
23 in part 1 shall prepare a report on out-of-state travel expenses
24 not later than January 1 of each year. The travel report must be a
25 listing of all travel by classified and unclassified employees
26 outside this state in the fiscal year ending September 30, 2017
27 that was funded in whole or in part with funds appropriated in the

1 department's budget. The department and agencies shall submit the
2 report to the senate and house appropriations committees, the house
3 and senate fiscal agencies, and the state budget director. The
4 report must include the following information:

5 (a) The dates of each travel occurrence.

6 (b) The transportation and related costs of each travel
7 occurrence, including the proportion funded with state general
8 fund/general purpose revenues, the proportion funded with state
9 restricted revenues, the proportion funded with federal revenues,
10 and the proportion funded with other revenues.

11 Sec. 208. Funds appropriated in part 1 must 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. 209. Not later than November 30, the state budget office
18 shall prepare and transmit a report that provides for estimates of
19 the total general fund/general purpose appropriation lapses at the
20 close of the fiscal year ending September 30, 2017. This report
21 shall summarize the projected year-end general fund/general purpose
22 appropriation lapses by major departmental program or program
23 areas. The report shall be transmitted to the chairpersons of the
24 senate and house appropriations committees, the subcommittees, and
25 the senate and house fiscal agencies.

26 Sec. 210. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$10,000,000.00 for

1 federal contingency funds. These funds are not available for
2 expenditure until they have been transferred to another line item
3 in part 1 under section 393(2) of the management and budget act,
4 1984 PA 431, MCL 18.1393.

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

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

17 (4) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$100,000.00 for private
19 contingency funds. These funds are not available for expenditure
20 until they have been transferred to another line item in part 1
21 under section 393(2) of the management and budget act, 1984 PA 431,
22 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 for that respective fiscal year, the
10 department shall cooperate with the state budget office to provide
11 the senate and house appropriations chairs, the senate and house
12 appropriations subcommittees chairs, and the senate and house
13 fiscal agencies with an annual report on estimated state restricted
14 fund balances, state restricted fund projected revenues, and state
15 restricted fund expenditures for the fiscal years ending September
16 30, 2017 and September 30, 2018.

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

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2018 are estimated at \$17,075,800.00. From this amount, total
24 agency appropriations for pension-related legacy costs are
25 estimated at \$8,787,300.00. Total agency appropriations for retiree
26 health care legacy costs are estimated at \$8,288,500.00.

27 Sec. 215. The department shall not take disciplinary action

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

3 Sec. 216. The department shall provide quarterly reports to
4 the subcommittees, the senate and house fiscal agencies, and the
5 state budget office, which shall provide the following data:

6 (a) A list of all major work projects, including a status
7 report of each project.

8 (b) The department's financial status, featuring a report of
9 budgeted versus actual expenditures by part 1 line item including a
10 year-end projection of budget requirements. If projected department
11 budget requirements exceed the allocated budget, the report shall
12 include a plan to reduce overall expenses while still satisfying
13 specified service level requirements.

14 (c) A report on the status of performance metrics cited in
15 this part and information required to be reported in this part.

16 (d) The number of active employees at the close of the fiscal
17 quarter by job classification and program.

18 (e) Evidence of efficiencies and management of funds within
19 established appropriations.

20 Sec. 217. The appropriations in part 1 are for the core
21 services, support services, and work projects of the department,
22 including, but not limited to, the following core services:

23 (a) Armories and joint force readiness.

24 (b) National Guard training facilities and air bases.

25 (c) Michigan youth challeNGe academy.

26 (d) Military family relief fund.

27 (e) Starbase grant.

- 1 (f) National Guard tuition assistance program.
- 2 (g) Michigan veterans affairs agency administration.
- 3 (h) Veterans service grants.
- 4 (i) Veterans' trust fund administration.
- 5 (j) Veterans' trust fund grants.
- 6 (k) Board of managers (veterans homes).
- 7 (l) Grand Rapids home for veterans.
- 8 (m) D.J. Jacobetti home for veterans.
- 9 (n) Michigan veterans' facility authority.

10 Sec. 218. The appropriations in part 1 for capital outlay
11 shall be carried forward at the end of the fiscal year consistent
12 with section 248 of the management and budget act, 1984 PA 431, MCL
13 18.1248.

14 Sec. 219. Sixty days prior to the public announcement of the
15 intention to sell any department real property, the department
16 shall submit notification of that intent to the subcommittees and
17 the senate and house fiscal agencies.

18 **MILITARY**

19 Sec. 301. (1) From the funds appropriated in part 1, there is
20 funding to support unclassified employee positions as authorized by
21 section 5 of article XI of the state constitution of 1963. These
22 positions include the following: department director - the adjutant
23 general for Michigan; assistant adjutant general - army; assistant
24 adjutant general - installations; assistant adjutant general - air;
25 senior policy executive - Michigan veterans affairs agency; senior
26 deputy director - state operations; director - strategy and policy;

1 chief executive officer for the veteran health system; and director
2 - Michigan veterans affairs agency.

3 (2) Not less than 30 days prior to the department submitting a
4 request for an additional unclassified employee position from the
5 civil service commission, or for any substantive change to the
6 duties of an existing unclassified employee position, the
7 department shall notify the subcommittees and the senate and house
8 fiscal agencies.

9 Sec. 302. (1) From the funds appropriated in part 1 for
10 military operations, effective and efficient executive direction
11 and administrative leadership shall be provided to the department.

12 (2) The department shall operate and maintain National Guard
13 armories.

14 (3) The department shall evaluate armories and submit a
15 quarterly report on the status of the armories.

16 (4) The department shall maintain a system to measure the
17 condition and adequacy of the armories.

18 (5) The Michigan Army National Guard and Air National Guard
19 shall work to provide a culture that is free of sexual assault,
20 through an environment of prevention, education and training,
21 response capability, victim support, reporting procedures, and
22 appropriate accountability that enhances the safety and well-being
23 of all guard members.

24 (6) By December 1, the department shall report the following
25 information to the subcommittees, the senate and house fiscal
26 agencies, and the state budget office:

27 (a) An assessment of the grounds and facilities of each armory

1 to objectively measure and determine the current facility condition
2 and capability to support authorized manpower, unit training, and
3 operations.

4 (b) Recommendations for the placement of new armories, the
5 relocation or consolidation of existing armories, or a change in
6 the mission of units assigned to armories to ideally position the
7 National Guard in current or projected population centers.

8 (c) Recommendations for the enhanced use of armories to
9 facilitate family support programs during deployments.

10 (d) An analysis of the feasibility, potential costs, and
11 benefits of use of armories shared with other local, state, or
12 federal agencies to improve responses to local emergencies as well
13 as the community support provided to armories.

14 (e) An investment strategy and proposed funding amounts in a
15 prioritized project list to correct the most critical facility
16 shortfalls across the inventory of armories in this state.

17 Sec. 303. (1) The department shall maintain the Michigan youth
18 challenge academy to provide values, skills, education, and self-
19 discipline instruction for at-risk youth as provided under 32 USC
20 509.

21 (2) The department shall take steps to recruit candidates to
22 the challenge program from economically disadvantaged areas,
23 including those with low-income and high-unemployment backgrounds.

24 (3) The department shall partner with the department of health
25 and human services to identify youth who may be eligible for the
26 challenge program from those youth served by department of health
27 and human services programs. These eligible youth shall be given

1 priority for enrollment in the program.

2 (4) The department shall maintain the staffing and resources
3 necessary to train at least 144 cadets simultaneously at the
4 Michigan youth challenge academy.

5 (5) The department shall ensure that the average grade level
6 increase for Michigan youth challenge academy graduates is 2 years
7 as measured with the tests of adult basic education (TABE) metrics.

8 (6) Any unexpended private donations to support the Michigan
9 youth challenge academy at the close of the fiscal year ending
10 September 30, 2018 shall not lapse to the general fund but shall be
11 carried forward to the subsequent fiscal year.

12 Sec. 304. (1) The department shall provide grants for
13 disbursement from the military family relief fund, as provided
14 under the military family relief fund act, 2004 PA 363, MCL 35.1211
15 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
16 Code.

17 (2) The department shall provide information on the revenues,
18 expenditures for advertising and assistance grants, and fund
19 balance of the Michigan military family relief fund, as provided
20 under section 216.

21 (3) The department shall provide sufficient staffing and other
22 resources to provide outreach to the Michigan families of members
23 of the reserve component of the Armed Forces of the United States
24 called into active duty and to support the processing and approval
25 of grant applications for the fiscal year ending September 30, 2018
26 under the Michigan military relief fund and report those
27 applications as provided in section 216.

1 Sec. 305. (1) The department shall provide Army and Air
2 National Guard forces, when directed, for state and local
3 emergencies and in support of national military requirements.

4 (2) The department shall operate and maintain Army National
5 Guard training facilities, including Fort Custer and Camp Grayling.

6 (3) The department shall maintain a system that measures the
7 condition and adequacy of air facilities using both quality and
8 functionality criteria.

9 (4) The department shall operate and maintain Air National
10 Guard air bases, including Selfridge Air National Guard base,
11 Battle Creek Air National Guard base, and Alpena combat readiness
12 training center.

13 (5) The department shall provide the following information as
14 provided under section 216:

15 (a) The apportioned and assigned strength of the Michigan Army
16 National Guard.

17 (b) The apportioned and assigned strength of the Michigan Air
18 National Guard.

19 (c) Recruiting, retention, and attrition data, including
20 measurement against stated performance goals, for the Michigan Army
21 National Guard.

22 (d) Recruiting, retention, and attrition data, including
23 measurement against stated performance goals, for the Michigan Air
24 National Guard.

25 Sec. 306. There is created and established under the
26 jurisdiction and control of the department a revolving account to
27 be known as the billeting fund account. All of the fees and other

1 revenues generated from the operation of the chargeable transient
2 quarters program must be deposited in the billeting fund account.
3 Appropriations will be made from the account for the support of
4 program operations and the maintenance and operations of the
5 chargeable transient quarters program and will not exceed the
6 estimated revenues for the fiscal year in which they are made,
7 together with unexpended balances from prior years. The department
8 shall submit an annual report of operations and expenditures
9 regarding the billeting fund account to the appropriations
10 committees of the senate and house of representatives, the house
11 and senate fiscal agencies, and the state budget office at the end
12 of the fiscal year.

13 Sec. 307. (1) The department shall maintain a National Guard
14 tuition assistance program for members of the Michigan Air and Army
15 National Guard.

16 (2) The objective of the National Guard tuition assistance
17 program is to bolster military readiness by increasing recruitment
18 and retention of Michigan Air and Army National Guard service
19 members, to fill federally authorized strength levels for the
20 state, to improve the Michigan Air and Army National Guard's
21 competitive draw from other military enlistment options in the
22 state, to enhance the ability of the Michigan Air and Army National
23 Guard to compete for members and federal dollars with surrounding
24 states, and to increase the pool of eligible candidates within the
25 Michigan Air and Army National Guard to become commissioned
26 officers.

27 (3) The department shall make efforts to increase the number

1 of Michigan Air and Army National Guard members participating in
2 the program to 1,100 during the fourth year of the program's
3 existence. To evaluate the effectiveness of the program, the
4 department shall monitor the number of new recruits and new
5 reenlistments and the percentage of those who become participants
6 in the program to determine whether the percentage of authorized
7 Michigan Air and Army National Guard strength obtained and retained
8 is competitive in comparison with the neighboring air and army
9 national guards from Illinois, Indiana, Ohio, and Wisconsin.

10 (4) The general fund/general purpose funds appropriated in
11 part 1 for the National Guard tuition assistance fund shall be
12 deposited to the restricted Michigan National Guard tuition
13 assistance fund created in section 4 of the Michigan National Guard
14 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
15 restricted Michigan National Guard tuition assistance fund are
16 appropriated and available for expenditure to support the Michigan
17 National Guard tuition assistance program.

18 Sec. 308. The department shall maintain the starbase program
19 at Air National Guard facilities, as provided under 10 USC 2193b,
20 to improve the knowledge, skills, and interest of students,
21 primarily in the fifth grade, in math, science, and technology. The
22 starbase program is to specifically target minority and at-risk
23 students for participation.

24 **MICHIGAN VETERANS AFFAIRS AGENCY**

25 Sec. 401. The board of managers and Michigan veterans'
26 facility authority shall exercise certain regulatory and governance

1 authority regarding admission and member affairs at the Grand
2 Rapids and D.J. Jacobetti homes for veterans. The board of managers
3 shall also work to represent the interest of the veterans'
4 community in both advisory and advocacy roles.

5 Sec. 402. (1) The MVAA, the board of managers, and the
6 Michigan veterans' facility authority shall provide compassionate
7 and quality nursing and domiciliary care services at the Grand
8 Rapids and D.J. Jacobetti homes for veterans so that members can
9 achieve their highest potential of wellness, independence, self-
10 worth, and dignity.

11 (2) The department shall provide resources necessary to
12 provide nursing care services to veterans in accordance with
13 federal standards and provide the results of the annual USDVA
14 survey and certification as proof of compliance.

15 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
16 Jacobetti homes for veterans shall not be used for any purpose
17 other than for veterans and veterans' families.

18 (4) Any contractor providing competency evaluated nursing
19 assistants (CENA) to the Grand Rapids home for veterans shall
20 ensure that each CENA has at least 8 hours of training on
21 information provided by the home.

22 (5) Any contractor providing competency evaluated nursing
23 assistants to the Grand Rapids home for veterans shall ensure that
24 each CENA has at least 1 eight-hour shift of shadowing at the
25 veterans' home.

26 (6) Any contractor providing competency evaluated nursing
27 assistants to the Grand Rapids home for veterans shall ensure that

1 each CENA is competent in the basic skills needed to perform his or
2 her assigned duties at the home.

3 (7) The Grand Rapids home for veterans shall provide each CENA
4 at least 12 hours of in-service training once that individual has
5 been assigned to the home.

6 (8) All complaints of abusive or neglectful care at the Grand
7 Rapids and the D.J. Jacobetti homes for veterans by a resident
8 member, a resident member's family or legal guardian, or staff of
9 the veterans' homes received by a supervisor must be referred to
10 the director of nursing or his or her designee upon receipt of the
11 complaint. The director of nursing or his or her designee shall
12 report on not less than a monthly basis, except that the board of
13 managers may specify a more frequent reporting period to the home
14 administrator, board of managers, agency, subcommittees, senate and
15 house fiscal agencies, and state budget office the following
16 information:

17 (a) A description of the process by which resident members and
18 others may file complaints of alleged abuse or neglect at the Grand
19 Rapids and the D.J. Jacobetti homes for veterans.

20 (b) Summary statistics on the number and general nature of
21 complaints of abuse or neglect.

22 (c) Summary statistics on the final disposition of complaints
23 of abuse or neglect received.

24 (9) The Grand Rapids and D.J. Jacobetti homes for veterans
25 shall provide an on-site, board-certified psychiatrist for all
26 resident members with mental health disorders in order to ensure
27 that those resident members receive needed services in a

1 professional and timely manner. The Grand Rapids and D.J. Jacobetti
2 homes for veterans shall provide all members and staff a safe and
3 secure environment.

4 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
5 shall ensure that they effectively develop, execute, and monitor
6 all comprehensive care plans in accordance with federal regulations
7 and their internal policies, with a goal that a comprehensive care
8 plan is fully developed for all resident members.

9 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
10 shall implement controls over their food, maintenance supplies,
11 pharmaceuticals, and medical supplies inventories.

12 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall establish sufficient controls for calculating resident member
14 maintenance assessments in order to accurately calculate resident
15 member maintenance assessments for each billing cycle. The Grand
16 Rapids and D.J. Jacobetti homes for veterans shall establish
17 sufficient controls to ensure that all past due resident member
18 maintenance assessments are addressed within 30 days.

19 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
20 shall establish sufficient controls over monetary donations and
21 donated goods.

22 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
23 shall implement sufficient controls over the handling of resident
24 member funds to ensure the release of funds within 3 business days
25 upon the resident member leaving the home and to ensure that a
26 representative of a resident member is provided a full accounting
27 of that resident member's funds within 10 business days of the

1 death of that resident member.

2 (15) The MVAA shall post on its website all policies adopted
3 by the board of managers, the Michigan veterans' facility
4 authority, and the veterans' homes related to the administrative
5 operations of the veterans' homes.

6 (16) The process by which visitors, residents, and employees
7 of the Grand Rapids and D.J. Jacobetti homes for veterans may
8 register complaints shall be displayed in high-traffic areas
9 throughout the home.

10 (17) The MVAA shall report its findings regarding the state
11 veterans' homes' compliance with the requirements and standards
12 under this section in a quarterly report to the legislature and the
13 state budget office. The quarterly reports shall include, but are
14 not limited to, all of the following information:

15 (a) Quality of care metrics, including:

16 (i) The number of patient care hours and staffing levels
17 measured against USDVA-VHA standards.

18 (ii) Sentinel events reported to the USDVA.

19 (iii) Fall and wound reports.

20 (iv) Complaint reports, including abuse and neglect complaints
21 and outcomes of complaint investigations.

22 (v) Additional minimum data set quality of care indicators
23 used to measure quality of care in long-term care facilities.

24 (b) Quarterly budget update.

25 (c) An accounting of resident member populations at the Grand
26 Rapids and D.J. Jacobetti homes for veterans as follows:

27 (i) By demographics, including period of service, gender, and

1 age.

2 (ii) By care setting, payment source, and associated revenue
3 projections.

4 (d) Updates related to the modernization of the Grand Rapids
5 and D.J. Jacobetti homes for veterans, including information
6 related to the following:

7 (i) Infrastructure/capital outlay improvements.

8 (ii) Information technology updates.

9 (iii) Financial management.

10 (e) Updates on corrective action status related to any audit
11 and survey findings until those findings have been fully addressed.

12 (18) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall provide to the subcommittees, the senate and house fiscal
14 agencies, and the state budget office the results of any annual or
15 for-cause survey conducted by the USDVA-VHA and any corresponding
16 corrective action plan. This information shall also be made
17 available publicly through the department's or MVAA's website.

18 (19) The MVAA shall provide to the legislature and the state
19 budget office quarterly reports regarding the status of Medicaid
20 certification efforts, including, but not limited to, descriptions
21 of incremental milestones, associated expenditures, and the
22 percentage of plan completed.

23 Sec. 403. (1) From the increased funds appropriated in part 1
24 for the D.J. Jacobetti home for veterans, the department shall
25 pursue compliance with current Centers for Medicare and Medicaid
26 Services certification standards. The purpose of this expansion is
27 to obtain Medicaid certification by January 1, 2018, to increase

1 the ability to fully utilize all federal funding available to cover
2 the cost of care of eligible veterans living at the D.J. Jacobetti
3 home for veterans, and to improve overall quality of care for all
4 veterans living at the D.J. Jacobetti home for veterans.

5 (2) The department shall identify specific outcomes and
6 performance measures for this initiative, including, but not
7 limited to, the following:

8 (a) The quality of care to members of the D.J. Jacobetti home
9 for veterans shall increase as a result of increased direct care
10 staffing ratios.

11 (b) The quality of the care environment at the D.J. Jacobetti
12 home for veterans shall increase as a result of facility updates
13 made according to Medicaid specifications to increase members'
14 access to private and semi-private accommodations.

15 (c) The quality of care for members of the D.J. Jacobetti home
16 for veterans shall increase as a result of increased ability
17 efforts to implement long-term care, evidence-based best practices
18 at the D.J. Jacobetti home for veterans.

19 (d) The collection of available federal Medicaid revenue shall
20 increase as a result of Medicaid certification.

21 (e) The fiscal stability of the D.J. Jacobetti home for
22 veterans shall improve due to increased efforts to collect
23 available federal revenue.

24 Sec. 404. The department shall ensure that the quality of care
25 for members of the Grand Rapids and D.J. Jacobetti homes for
26 veterans shall exceed the current quality of care for the full
27 spectrum of health care services as a result of the upgrades made

1 to the homes to meet the Centers for Medicare and Medicaid Services
2 certification standards. The department shall provide a quarterly
3 report to the subcommittees, which contains evidence that the
4 quality of care for the full spectrum of health care services has
5 improved due to those upgrades.

6 Sec. 405. (1) The MVAA shall provide a report, as provided
7 under section 216, on the financial status of the Michigan
8 veterans' trust fund, including the number and amount of emergency
9 grants, state administrative expenses, and county administrative
10 expenses.

11 (2) The Michigan veterans' trust fund board together with the
12 agency shall maintain the staffing and resources necessary to
13 process a minimum of 2,000 applications for veterans' trust fund
14 emergency grants.

15 Sec. 406. (1) The MVAA shall provide outreach services to
16 Michigan veterans to advise them on the benefits to which they are
17 entitled, as provided under Executive Reorganization Order No.
18 2013-2, MCL 32.92. The MVAA shall also do the following:

19 (a) Maintain the staffing partnerships and other resources
20 necessary to develop and operate an outreach program that
21 communicates benefit eligibility information to at least 50% of
22 Michigan's population of veterans, as assessed by annual census
23 estimates, with a goal of reaching 100% and enabling 100% to access
24 benefit information online.

25 (b) Communicate veteran benefit information pertaining to the
26 Michigan military family relief fund, Michigan veterans' trust
27 fund, and USDVA health, financial, and memorial benefits to which

1 veterans are entitled.

2 (c) Provide sufficient staffing and other resources to approve
3 requests for military discharge certificates (DD-214) annually.

4 (d) Continue the process to digitize all medical records,
5 military discharge documents, and burial records that are currently
6 on paper and microfilm.

7 (e) Provide a report, as provided under section 216, on the
8 MVAA's performance on the performance measures, outcomes, and
9 initiatives developed by the agency in the strategic plan required
10 by section 501 of 2013 PA 9.

11 (f) Provide a report to the subcommittees, the senate and
12 house fiscal agencies, and the state budget office no later than
13 April 1 providing for the following:

14 (i) To the extent known, data on the estimated number of
15 homeless veterans, by county, in this state.

16 (ii) A summary of the activities and strategies developed to
17 date under the MVAA community assessment and regional service
18 delivery model pilot.

19 (2) From the funds appropriated in part 1, the MVAA shall
20 provide for the regional coordination of services, as follows:

21 (a) Regional coordinators shall be selected by the MVAA
22 through a grant agreement with VSOs or by other means.

23 (b) Regional coordinators shall provide the following
24 services:

25 (i) Coordinate veteran benefit counselors' efforts throughout
26 a specified region.

27 (ii) Coordinate services with the department of health and

1 human services and the department of corrections.

2 (iii) Coordinate with regional workforce and economic
3 development agencies.

4 (iv) Coordinate activities among local foundations, nonprofit
5 organizations, and community groups to improve accessibility,
6 enrollment, and utilization of the array of health care, education,
7 employment assistance, and quality of life services provided at the
8 local level.

9 (c) The MVAA may work with MVAA service officers, regional
10 coordinators, county veteran counselors, VSO service officers, and
11 other service providers to incorporate the provision of information
12 relating to mental health care resources into their daily
13 operations to aid veterans in understanding the mental health care
14 support services they may be eligible to receive.

15 (d) The MVAA shall coordinate with the department of health
16 and human services to identify Medicaid recipients who are veterans
17 and who may be eligible for federal veterans health care benefits
18 or other benefits, to the extent that the identification does not
19 violate applicable confidentiality requirements.

20 (e) The MVAA shall collaborate with the department of
21 corrections to create and maintain a process by which prisoners can
22 obtain a copy of their DD-214 form or other military discharge
23 documentation if necessary.

24 (f) The MVAA shall ensure that all MVAA service officers, VSO
25 service officers, and regional coordinators receive appropriate
26 training in processing applications for benefits payable to
27 veterans due to military sexual trauma, post-traumatic stress

1 disorder, depression, anxiety, substance abuse, or other mental
2 health issues.

3 (3) The MVAA shall provide claims processing services to
4 Michigan veterans in support of benefit claims submitted to the
5 USDVA for the health, financial, and memorial benefits for which
6 they are eligible, and shall do all of the following:

7 (a) Report the following information as provided in section
8 216:

9 (i) The number of benefit claims, by type, submitted to the
10 USDVA by MVAA and coalition partner veteran service officers.

11 (ii) The number of fully developed claims submitted to the
12 USDVA, with an overall goal of 40% of benefit claims submitted that
13 are considered fully developed by the USDVA.

14 (b) Maintain the staffing and resources necessary to process a
15 minimum of 500 claims per year.

16 (4) The MVAA shall maintain staffing and resources necessary
17 to develop and implement a process to ensure that all county
18 counselors receive the training and accreditation necessary to
19 provide quality services to veterans. The MVAA shall report
20 information as provided in section 216 on the number and percentage
21 of county veterans counselors requesting training by the MVAA, with
22 an overall goal of 100% of county veterans counselors trained.

23 (5) From the funds appropriated in part 1 for MVAA operations,
24 the MVAA shall provide grant assistance to enhance the capacity and
25 capabilities of counties in providing benefit claims assistance.
26 These funds must be used to continue the implementation of an
27 internet-based data system, to increase the number of county

1 veterans counselors, and to increase the number of counties that
2 provide service to veterans through county veterans counselors. The
3 MVAA shall provide a report, as provided in section 216, on the
4 expenditures and activities of the grant funds directed by this
5 subsection.

6 (6) From the funds appropriated in part 1 for MVAA, the MVAA
7 is authorized to expend up to \$50,000.00 to hire legal services to
8 represent veterans benefit cases before federal court to maintain
9 accreditation under 38 CFR 14.628(d)(1)(iv).

10 Sec. 407. (1) The MVAA shall disburse VSO grants to achieve
11 agency goals and performance objectives in partnership with the
12 VSOs. Grants to VSOs will be disbursed to fund programs and
13 projects which are determined by the agency to meet agency
14 performance objectives and ensure that VSOs communicate the
15 availability of emergency grants through the Michigan veterans'
16 trust fund. In disbursing veterans service organization grants, the
17 MVAA shall do the following:

18 (a) Ensure that each VSO that receives grants is issued
19 performance standards.

20 (b) Ensure that each VSO that receives grant funds uses those
21 funds for veterans advocacy and outreach.

22 (c) Monitor the performance of each VSO that receives grants.

23 (2) Veterans service organization grants awarded by the MVAA
24 shall provide for the following, as developed by the MVAA:

25 (a) The provision of service to veterans statewide, using a
26 regional service delivery model, with services provided at
27 specified locations and times, including service provided in state

1 correctional facilities.

2 (b) The payment of a fixed hourly service rate of \$34.00 per
3 hour.

4 (c) A specified number of service hours within each geographic
5 region of this state, with a statewide goal based on both
6 appropriations for the fiscal year ending September 30, 2018 for
7 the VSO grant program and the fixed hourly service rate under
8 subsection (2)(b). The statewide goal will include service hours
9 provided to eligible incarcerated veterans within 1 year of their
10 earliest release date.

11 (d) Use of an MVAA-designated internet-based claims data
12 system.

13 (3) The MVAA shall report the following information as
14 provided in section 216:

15 (a) A summary of activities supported through the
16 appropriation in part 1 for VSO grants, including, separately for
17 each service region, the amount of expenditures to date, number of
18 service hours, number of claims for benefits submitted by type of
19 claim, and other information deemed appropriate by the MVAA.

20 (b) The number of fully developed claims, by type, submitted
21 to the USDVA by VSOs, with an overall goal of 40% of benefit claims
22 submitted that are considered fully developed by the USDVA.

23 Sec. 408. (1) The Michigan veterans' trust fund board together
24 with the MVAA shall provide emergency grants for disbursement from
25 the Michigan veterans' trust fund, as provided under the following
26 program authorities:

27 (a) Sections 37, 38, and 39 of article IX of the state

1 constitution of 1963.

2 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

3 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

4 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

5 (2) No later than December 1, the MVAA shall provide a
6 detailed report of the Michigan veterans' trust fund that includes,
7 for the fiscal year ending September 30, 2017, information on
8 grants provided from the emergency grant program, including details
9 concerning the methodology of allocations, the selection of
10 emergency grant program authorized agents, a description of how the
11 emergency grant program is administered in each county, and a
12 detailed breakdown of trust fund expenditures for that year,
13 including the amount distributed to each county for administrative
14 costs and emergency grants. The report must also include the number
15 of approved applications, by category of assistance, and the number
16 of denied applications, by reason of denial. The report must also
17 provide an update on the department's efforts to reduce program
18 administrative costs and maintain the Michigan veterans' trust fund
19 corpus to its original amount of at least \$50,000,000.00.

20 (3) Any funds not expended or encumbered at the end of the
21 fiscal year ending September 30, 2018 must be deposited into the
22 Michigan veterans' trust fund corpus.

23 CAPITAL OUTLAY

24 Sec. 501. (1) The department shall provide for the acquisition
25 and disposition of National Guard armories, facilities, and lands
26 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 216.

4 Sec. 502. (1) The appropriations in part 1 for special
5 maintenance - National Guard shall be carried forward at the end of
6 the fiscal year consistent with section 248 of the management and
7 budget act, 1984 PA 431, MCL 18.1248.

8 (2) The appropriations for special maintenance - National
9 Guard shall be expended in accordance with the requirements of
10 sections 302 and 305 and shall be expended according to the
11 maintenance priorities of the department to repair and modernize
12 military training sites and support facilities, including armories,
13 which may include projects such as roof, HVAC, or boiler
14 replacement, interior renovations, facility expansion, improvements
15 to parking facilities, and other projects.

16 (3) The department shall provide a quarterly report as
17 provided under section 216 providing information on the status,
18 projected costs, and projected completion date of current and
19 planned special maintenance projects at the armories and other
20 National Guard facilities funded from capital outlay appropriations
21 made in part 1 and in prior appropriations years.

22 Sec. 503. (1) The appropriations in part 1 for special
23 maintenance - veterans' homes shall be carried forward at the end
24 of the fiscal year consistent with section 248 of the management
25 and budget act, 1984 PA 431, MCL 18.1248.

26 (2) The appropriations for special maintenance - veterans'
27 homes shall be expended in accordance with the requirements of

1 section 402 and shall be expended according to the maintenance
2 priorities of the department to repair and modernize the state's
3 veterans' homes, which may include projects such as roof, HVAC, or
4 boiler replacement, interior renovations, facility expansion,
5 improvements to parking facilities, and other projects designed to
6 enhance the quality of life and medical care of members.

7 (3) The MVAA shall provide a quarterly report as provided
8 under section 216 providing information on the status, projected
9 costs, and projected completion date of current and planned special
10 maintenance projects at the Grand Rapids home for veterans and D.J.
11 Jacobetti home for veterans funded from capital outlay
12 appropriations made in part 1 and in prior appropriations years.

13 **ONE-TIME APPROPRIATIONS**

14 **ARMORY MAINTENANCE**

15 Sec. 601. (1) The appropriations in part 1 for armory
16 maintenance shall be carried forward at the end of the fiscal year
17 consistent with section 248 of the management and budget act, 1984
18 PA 431, MCL 18.1248.

19 (2) The appropriations for armory maintenance shall be
20 expended in accordance with the requirements of sections 302 and
21 305 and shall be expended according to the maintenance priorities
22 of the department to repair and modernize military training sites
23 and support facilities, including armories.

24 PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a 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, 2018, from the following funds:

1 **DEPARTMENT OF NATURAL RESOURCES**

2 APPROPRIATION SUMMARY

3 Full-time equated unclassified positions 6.0

4 Full-time equated classified positions 2,255.8

5 GROSS APPROPRIATION \$ 401,311,000

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and intradepartmental

8 transfers 232,200

9 ADJUSTED GROSS APPROPRIATION \$ 401,078,800

10 Federal revenues:

11 Total federal revenues 70,095,700

12 Special revenue funds:

13 Total local revenues 0

14 Total private revenues 7,446,000

15 Total other state restricted revenues 274,553,100

16 State general fund/general purpose \$ 48,984,000

17 FUND SOURCE SUMMARY

18 Full-time equated unclassified positions 6.0

19 Full-time equated classified positions 2,255.8

20 GROSS APPROPRIATION \$ 401,311,000

21 Interdepartmental grant revenues:

22 IDG, land acquisition services-to-work orders 232,200

23 Total interdepartmental grants and intradepartmental

24 transfers 232,200

25 ADJUSTED GROSS APPROPRIATION \$ 401,078,800

26 Federal revenues:

27 Federal funds 70,095,700

1	Total federal revenues	70,095,700
2	Special revenue funds:	
3	Private funds	7,431,000
4	Private - Mann House trust fund	15,000
5	Total private revenues	7,446,000
6	Cervidae licensing and inspection fees	138,800
7	Clean Michigan initiative fund	100
8	Commercial forest fund	26,600
9	Deer habitat reserve	2,136,700
10	Fire equipment fund	668,700
11	Fisheries settlement	629,200
12	Forest development fund	38,543,200
13	Forest land user charges	253,100
14	Forest recreation account	1,836,300
15	Game and fish protection fund	74,294,000
16	History fees fund	235,400
17	Invasive species fund	100
18	Land exchange facilitation fund	5,009,100
19	Local public recreation facilities fund	1,697,000
20	Mackinac Island State Park fund	1,583,700
21	Mackinac Island State Park operation fund	127,700
22	MacMullan Conference Center account	1,156,000
23	Marine safety fund	3,738,800
24	Michigan heritage publications fund	22,300
25	Michigan natural resources trust fund	1,306,900
26	Michigan state parks endowment fund	26,880,700
27	Michigan state waterways fund	27,850,200

1	Michigan trailways fund	200
2	Museum operations fund	506,800
3	Nongame wildlife fund	482,100
4	Off-road vehicle safety education fund	203,600
5	Off-road vehicle trail improvement fund	7,078,900
6	Park improvement fund	49,598,600
7	Park improvement fund - Belle Isle subaccount	800,200
8	Permanent snowmobile trail easement fund	700,000
9	Public use and replacement deed fees	27,600
10	Recreation improvement account	1,532,300
11	Recreation passport fees	8,296,200
12	Snowmobile registration fee revenue	1,197,600
13	Snowmobile trail improvement fund	9,934,100
14	Sportsmen against hunger fund	77,500
15	Turkey permit fees	1,017,400
16	Waterfowl fees	120,800
17	Waterfowl hunt stamp	1,500,000
18	Wildlife management public education fund	2,100,000
19	Wildlife resource protection fund	1,147,100
20	Youth hunting and fishing education and outreach fund	97,500
21	Total other state restricted revenues	274,553,100
22	State general fund/general purpose	\$ 48,984,000
23	Sec. 102. EXECUTIVE OPERATIONS	
24	Full-time equated unclassified positions 6.0	
25	Full-time equated classified positions 11.6	
26	Unclassified salaries--6.0 FTE positions	\$ 776,700
27	Executive direction--11.6 FTE positions	2,136,400

1	Natural resources commission	77,100
2	GROSS APPROPRIATION	\$ 2,990,200
3	Appropriated from:	
4	Special revenue funds:	
5	Deer habitat reserve	19,300
6	Forest development fund	370,500
7	Forest land user charges	2,400
8	Forest recreation account	7,800
9	Game and fish protection fund	1,073,500
10	Land exchange facilitation fund	10,500
11	Marine safety fund	47,500
12	Michigan natural resources trust fund	1,400
13	Michigan state parks endowment fund	367,800
14	Michigan state waterways fund	194,900
15	Nongame wildlife fund	3,900
16	Off-road vehicle safety education fund	400
17	Off-road vehicle trail improvement fund	82,400
18	Park improvement fund	463,800
19	Recreation improvement account	12,900
20	Snowmobile registration fee revenue	4,800
21	Snowmobile trail improvement fund	17,500
22	Sportsmen against hunger fund	100
23	Turkey permit fees	7,800
24	Waterfowl fees	500
25	Wildlife resource protection fund	13,200
26	State general fund/general purpose	\$ 287,300
27	Sec. 103. DEPARTMENT INITIATIVES	

1	Full-time equated classified positions	16.0	
2	Great Lakes restoration initiative		\$ 2,922,000
3	Invasive species prevention and control--16.0 FTE		
4	positions.....		<u>5,031,700</u>
5	GROSS APPROPRIATION		\$ 7,953,700
6	Appropriated from:		
7	Special revenue funds:		
8	Federal funds		2,922,000
9	State general fund/general purpose		\$ 5,031,700
10	Sec. 104. DEPARTMENT SUPPORT SERVICES		
11	Full-time equated classified positions	109.5	
12	Accounting service center		\$ 1,489,000
13	Building occupancy charges		3,359,200
14	Finance and operations--105.5 FTE positions		16,581,800
15	Gifts and pass-through transactions		5,000,000
16	Legal services--4.0 FTE positions		550,500
17	Rent - privately owned property		<u>351,800</u>
18	GROSS APPROPRIATION		\$ 27,332,300
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG, land acquisition services-to-work orders		232,200
22	Federal revenues:		
23	Federal funds		340,700
24	Special revenue funds:		
25	Private funds		5,000,000
26	Clean Michigan initiative fund		100
27	Deer habitat reserve		138,700

1	Forest development fund	2,440,900
2	Forest land user charges	4,900
3	Forest recreation account	44,500
4	Game and fish protection fund	5,998,600
5	Land exchange facilitation fund	4,922,000
6	Local public recreation facilities fund	197,000
7	Marine safety fund	745,300
8	Michigan natural resources trust fund	1,283,200
9	Michigan state parks endowment fund	933,000
10	Michigan state waterways fund	582,400
11	Nongame wildlife fund	9,600
12	Off-road vehicle safety education fund	300
13	Off-road vehicle trail improvement fund	87,800
14	Park improvement fund	1,302,000
15	Public use and replacement deed fees	27,600
16	Recreation improvement account	71,400
17	Snowmobile registration fee revenue	44,500
18	Snowmobile trail improvement fund	107,600
19	Sportsmen against hunger fund	400
20	Turkey permit fees	70,400
21	Waterfowl fees	2,900
22	Wildlife resource protection fund	28,700
23	State general fund/general purpose	\$ 2,715,600
24	Sec. 105. COMMUNICATION AND CUSTOMER SERVICES	
25	Full-time equated classified positions	133.3
26	Marketing and outreach--80.8 FTE positions	\$ 13,738,800
27	Michigan historical center--52.5 FTE positions	5,636,900

1	Michigan wildlife council	<u>2,100,000</u>
2	GROSS APPROPRIATION	\$ 21,475,700
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds	1,558,300
6	Special revenue funds:	
7	Private funds	396,200
8	Private - Mann House trust fund	15,000
9	Forest development fund	133,400
10	Forest recreation account	16,400
11	Game and fish protection fund	8,327,000
12	History fees fund	235,400
13	Land exchange facilitation fund	46,000
14	Marine safety fund	36,000
15	Michigan heritage publications fund	22,300
16	Michigan state parks endowment fund	89,500
17	Michigan state waterways fund	147,600
18	Museum operations fund	506,800
19	Nongame wildlife fund	10,700
20	Off-road vehicle trail improvement fund	31,200
21	Park improvement fund	2,811,200
22	Recreation passport fees	23,800
23	Snowmobile registration fee revenue	19,400
24	Snowmobile trail improvement fund	45,600
25	Sportsmen against hunger fund	76,400
26	Wildlife management public education fund	2,100,000
27	Youth hunting and fishing education and outreach fund	95,500

1	State general fund/general purpose	\$	4,732,000
2	Sec. 106. WILDLIFE DIVISION		
3	Full-time equated classified positions	227.5	
4	Natural resources heritage--9.0 FTE positions	\$	631,300
5	Wildlife management--218.5 FTE positions		<u>41,932,700</u>
6	GROSS APPROPRIATION	\$	42,564,000
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds		25,158,800
10	Special revenue funds:		
11	Private funds		315,700
12	Cervidae licensing and inspection fees		85,400
13	Deer habitat reserve		1,717,100
14	Forest development fund		77,600
15	Game and fish protection fund		11,937,300
16	Nongame wildlife fund		427,400
17	Turkey permit fees		905,400
18	Waterfowl fees		114,100
19	State general fund/general purpose	\$	1,825,200
20	Sec. 107. FISHERIES DIVISION		
21	Full-time equated classified positions	222.5	
22	Aquatic resource mitigation--2.0 FTE positions	\$	629,300
23	Cormorant population mitigation program		150,000
24	Fish production--63.0 FTE positions		10,242,000
25	Fisheries resource management--157.5 FTE positions ...		<u>20,639,100</u>
26	GROSS APPROPRIATION	\$	31,660,400
27	Appropriated from:		

1	Federal revenues:	
2	Federal funds	11,292,000
3	Special revenue funds:	
4	Private funds	136,200
5	Fisheries settlement	629,200
6	Game and fish protection fund	19,083,700
7	Invasive species fund	100
8	State general fund/general purpose	\$ 519,200
9	Sec. 108. LAW ENFORCEMENT DIVISION	
10	Full-time equated classified positions 280.0	
11	General law enforcement--280.0 FTE positions	\$ 41,826,000
12	GROSS APPROPRIATION	\$ 41,826,000
13	Appropriated from:	
14	Federal revenues:	
15	Federal funds	6,510,900
16	Special revenue funds:	
17	Cervidae licensing and inspection fees	53,400
18	Forest development fund	45,400
19	Forest recreation account	72,800
20	Game and fish protection fund	19,444,800
21	Marine safety fund	1,342,300
22	Michigan state parks endowment fund	71,400
23	Michigan state waterways fund	21,700
24	Off-road vehicle safety education fund	156,100
25	Off-road vehicle trail improvement fund	1,692,800
26	Park improvement fund	72,800
27	Snowmobile registration fee revenue	721,400

1	Wildlife resource protection fund	1,063,100
2	State general fund/general purpose	\$ 10,557,100
3	Sec. 109. PARKS AND RECREATION DIVISION	
4	Full-time equated classified positions	911.9
5	Forest recreation and trails--53.0 FTE positions	\$ 6,172,400
6	MacMullan Conference Center--15.0 FTE positions	1,156,000
7	Recreational boating--170.5 FTE positions	19,011,000
8	State parks--673.4 FTE positions	67,144,900
9	State park improvement revenue bonds - debt service ..	<u>1,191,000</u>
10	GROSS APPROPRIATION	\$ 94,675,300
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	Federal revenues:	
14	Federal funds	1,761,200
15	Special revenue funds:	
16	Private funds	428,000
17	Forest recreation account	1,652,800
18	MacMullan Conference Center account	1,156,000
19	Michigan state parks endowment fund	21,103,200
20	Michigan state waterways fund	17,868,000
21	Michigan trailways fund	100
22	Off-road vehicle safety education fund	7,200
23	Off-road vehicle trail improvement fund	1,456,700
24	Park improvement fund	43,590,500
25	Park improvement fund - Belle Isle subaccount	800,200
26	Recreation improvement account	492,000
27	Recreation passport fees	272,400

1	Snowmobile registration fee revenue	15,800
2	Snowmobile trail improvement fund	1,598,600
3	State general fund/general purpose	\$ 2,472,600
4	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION	
5	Full-time equated classified positions	17.0
6	Historical facilities system--13.0 FTE positions	\$ 1,583,700
7	Mackinac Island State Park operations--4.0 FTE	
8	positions.....	<u>333,600</u>
9	GROSS APPROPRIATION	\$ 1,917,300
10	Appropriated from:	
11	Special revenue funds:	
12	Mackinac Island State Park fund	1,583,700
13	Mackinac Island State Park operation fund	127,700
14	State general fund/general purpose	\$ 205,900
15	Sec. 111. FOREST RESOURCES DIVISION	
16	Full-time equated classified positions	326.5
17	Adopt-a-forest program	\$ 25,000
18	Cooperative resource programs--11.0 FTE positions	1,551,400
19	Forest fire equipment	581,500
20	Forest management and timber market development--176.0	
21	FTE positions.....	31,344,000
22	Forest management initiatives--8.5 FTE positions	859,900
23	Minerals management--17.0 FTE positions	2,840,300
24	Wildfire protection--114.0 FTE positions	<u>14,177,400</u>
25	GROSS APPROPRIATION	\$ 51,379,500
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds	4,292,500
2	Special revenue funds:	
3	Private funds	1,054,900
4	Commercial forest fund	24,500
5	Fire equipment fund	668,700
6	Forest development fund	32,865,700
7	Forest land user charges	221,900
8	Game and fish protection fund	1,937,700
9	Michigan state parks endowment fund	2,670,200
10	Michigan state waterways fund	51,400
11	State general fund/general purpose	\$ 7,592,000
12	Sec. 112. GRANTS	
13	Dam management grant program	\$ 350,000
14	Deer habitat improvement partnership initiative	200,000
15	Federal - clean vessel act grants	400,000
16	Federal - forest stewardship grants	2,000,000
17	Federal - land and water conservation fund payments ..	2,566,900
18	Federal - rural community fire protection	400,000
19	Federal - urban forestry grants	900,000
20	Fisheries habitat improvement grants	1,250,000
21	Grants to communities - federal oil, gas, and timber	
22	payments.....	3,450,000
23	Grants to counties - marine safety	3,074,700
24	National recreational trails	3,900,000
25	Nonmotorized trail development and maintenance grants	350,000
26	Off-road vehicle safety training grants	29,200
27	Off-road vehicle trail improvement grants	3,706,200

1	Recreation improvement fund grants	907,100
2	Recreation passport local grants	1,500,000
3	Snowmobile law enforcement grants	380,100
4	Snowmobile local grants program	8,090,400
5	Trail easements	700,000
6	Wildlife habitat improvement grants	<u>1,500,000</u>
7	GROSS APPROPRIATION	\$ 35,654,600
8	Appropriated from:	
9	Federal revenues:	
10	Federal funds	15,184,300
11	Special revenue funds:	
12	Private funds	100,000
13	Deer habitat reserve	200,000
14	Game and fish protection fund	2,750,000
15	Local public recreation facilities fund	1,500,000
16	Marine safety fund	1,407,300
17	Off-road vehicle safety education fund	29,200
18	Off-road vehicle trail improvement fund	3,706,200
19	Permanent snowmobile trail easement fund	700,000
20	Recreation improvement account	907,100
21	Snowmobile registration fee revenue	380,100
22	Snowmobile trail improvement fund	8,090,400
23	State general fund/general purpose	\$ 700,000
24	Sec. 113. INFORMATION TECHNOLOGY	
25	Information technology services and projects	\$ <u>10,327,400</u>
26	GROSS APPROPRIATION	\$ 10,327,400
27	Appropriated from:	

1	Special revenue funds:	
2	Commercial forest fund	2,100
3	Deer habitat reserve	61,600
4	Forest development fund	1,609,700
5	Forest land user charges	23,900
6	Forest recreation account	42,000
7	Game and fish protection fund	3,741,400
8	Land exchange facilitation fund	30,600
9	Marine safety fund	160,400
10	Michigan natural resources trust fund	22,300
11	Michigan state parks endowment fund	1,341,000
12	Michigan state waterways fund	484,200
13	Michigan trailways fund	100
14	Nongame wildlife fund	30,500
15	Off-road vehicle safety education fund	10,400
16	Off-road vehicle trail improvement fund	21,800
17	Park improvement fund	1,358,300
18	Recreation improvement account	48,900
19	Snowmobile registration fee revenue	11,600
20	Snowmobile trail improvement fund	74,400
21	Sportsmen against hunger fund	600
22	Turkey permit fees	33,800
23	Waterfowl fees	3,300
24	Wildlife resource protection fund	42,100
25	Youth hunting and fishing education and outreach	2,000
26	State general fund/general purpose	\$ 1,170,400
27	Sec. 114. CAPITAL OUTLAY	

1	(a) RECREATIONAL LANDS AND INFRASTRUCTURE	
2	State parks repair and maintenance	\$ 9,304,600
3	Wetlands restoration, enhancement, and acquisition ...	<u>1,500,000</u>
4	GROSS APPROPRIATION	\$ 10,804,600
5	Appropriated from:	
6	Federal revenues:	
7	Special revenue funds:	
8	Michigan state parks endowment fund	304,600
9	Recreation passport fees	8,000,000
10	Waterfowl hunt stamp	1,500,000
11	State general fund/general purpose	\$ 1,000,000
12	(b) WATERWAYS BOATING PROGRAM	
13	State harbors and boating access sites:	
14	East Tawas state harbor, Iosco County, harbor	
15	renovation, dock replacements, dredging, fueling	
16	station, new electrical/utilities, phase III (total	
17	authorized cost is increased from \$4,420,000 to	
18	\$5,920,000; federal share is \$1,650,000; state share	
19	is increased from \$2,770,000 to \$4,270,000)	\$ 1,500,000
20	Local boating infrastructure maintenance and	
21	improvements	2,500,000
22	State boating infrastructure maintenance	<u>5,575,000</u>
23	GROSS APPROPRIATION	\$ 9,575,000
24	Appropriated from:	
25	Federal revenues:	
26	Federal funds	1,075,000
27	Special revenue funds:	

1	Michigan state waterways fund	8,500,000
2	State general fund/general purpose	\$ 0
3	Sec. 115. ONE-TIME BASIS APPROPRIATIONS	
4	Land ownership tracking system	\$ 2,000,000
5	State parks repair and maintenance	4,000,000
6	Trail development	2,000,000
7	Wetland mitigation bank grants	2,175,000
8	Wildlife management	<u>1,000,000</u>
9	GROSS APPROPRIATION	\$ 11,175,000
10	Appropriated from:	
11	Special revenue funds:	
12	Forest development fund	1,000,000
13	State general fund/general purpose	\$ 10,175,000

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 FOR FISCAL YEAR 2017-2018

17 **GENERAL SECTIONS**

18 Sec. 201. Pursuant to section 30 of article IX of the state
 19 constitution of 1963, total state spending from state resources
 20 under part 1 for fiscal year 2017-2018 is \$323,537,100.00 and state
 21 spending from state resources to be paid to local units of
 22 government for fiscal year 2017-2018 is \$9,329,300.00. The itemized
 23 statement below identifies appropriations from which spending to
 24 local units of government will occur:

25 DEPARTMENT OF NATURAL RESOURCES

1 GRANTS

2	Dam management grant program	\$	175,000
3	Fisheries habitat improvement grants		125,000
4	Grants to counties - marine safety		1,407,300
5	Nonmotorized trail development and maintenance grants		262,500
6	Off-road vehicle safety training grants		29,200
7	Off-road vehicle trail improvement grants		534,500
8	Recreation improvement fund grants		90,700
9	Recreation passport local grants		1,500,000
10	Snowmobile law enforcement grants		380,100
11	Wildlife habitat improvement grants		150,000
12	Local boating infrastructure maintenance and improvements		2,500,000
13	Wetland mitigation bank grants		<u>2,175,000</u>
14	TOTAL	\$	9,329,300

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

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

19 (a) "Department" means the department of natural resources.

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

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

22 (d) "IDG" means interdepartmental grant.

23 Sec. 204. The departments and agencies receiving
 24 appropriations in part 1 shall use the internet to fulfill the
 25 reporting requirements of this part. This requirement may include
 26 transmission of reports via electronic mail to the recipients
 27 identified for each reporting requirement, or it may include

1 placement of reports on an internet or intranet site.

2 Sec. 205. Funds appropriated in part 1 shall not be used for
3 the purchase of foreign goods or services, or both, if
4 competitively priced and of comparable quality American goods or
5 services, or both, are available. Preference shall be given to
6 goods or services, or both, manufactured or provided by Michigan
7 businesses if they are competitively priced and of comparable
8 quality. In addition, preference should be given to goods or
9 services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans, if they are
11 competitively priced and of comparable quality.

12 Sec. 206. The director shall take all reasonable steps to
13 ensure businesses in deprived and depressed communities compete for
14 and perform contracts to provide services or supplies, or both. The
15 director shall strongly encourage firms with which the department
16 contracts to subcontract with certified businesses in depressed and
17 deprived communities for services, supplies, or both.

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

1 (a) The dates of each travel occurrence.

2 (b) The total transportation and related costs of each travel
3 occurrence, including the proportion funded with state general
4 fund/general purpose revenues, the proportion funded with state
5 restricted revenues, the proportion funded with federal revenues,
6 and the proportion funded with other revenues.

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

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

22 Sec. 210. (1) In addition to the funds appropriated in part 1,
23 there is appropriated an amount not to exceed \$3,000,000.00 for
24 federal contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are \$44,255,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$22,774,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,481,400.00.

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		756,300
Department of technology, management, and budget		492,500

1 Department of treasury 3,013,100

2 Sec. 216. Pursuant to section 43703(3) of the natural
3 resources and environmental protection act, 1994 PA 451, MCL
4 324.43703, there is appropriated from the game and fish protection
5 trust fund to the game and fish protection account of the Michigan
6 conservation and recreation legacy fund, \$6,000,000.00 for the
7 fiscal year ending September 30, 2018.

8 Sec. 218. The department and agencies receiving appropriations
9 in part 1 shall receive and retain copies of all reports funded
10 from appropriations in part 1. Federal and state guidelines for
11 short-term and long-term retention of records shall be followed.
12 The department may electronically retain copies of reports unless
13 otherwise required by federal and state guidelines.

14 Sec. 219. Before January 31, 2018, the department, in
15 cooperation with the Michigan state waterways commission, shall
16 provide to the state budget director, the senate and house
17 appropriations subcommittees on natural resources, and the senate
18 and house fiscal agencies a list of projects completed by the
19 commission in the fiscal year ending September 30, 2017, including
20 the county and municipality in which each project is located.

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

24 **DEPARTMENT INITIATIVES**

25 Sec. 251. From the amounts appropriated in part 1 for invasive
26 species prevention and control, the department shall allocate not

1 less than \$3,600,000.00 for grants for the prevention, detection,
2 eradication, and control of invasive species.

3 **DEPARTMENT SUPPORT SERVICES**

4 Sec. 302. The department may charge land acquisition projects
5 appropriated for the fiscal year ending September 30, 2018, and for
6 prior fiscal years, a standard percentage fee to recover actual
7 costs, and may use the revenue derived to support the land
8 acquisition service charges provided for in part 1.

9 Sec. 303. As appropriated in part 1, the department may charge
10 both application fees and transaction fees related to the exchange
11 or sale of state-owned land or rights in land authorized by part 21
12 of the natural resources and environmental protection act, 1994 PA
13 451, MCL 324.2101 to 324.2162. The fees shall be set by the
14 director at a rate that allows the department to recover its costs
15 for providing these services.

16 **COMMUNICATION AND CUSTOMER SERVICES**

17 Sec. 404. For the purposes of administering the museum store
18 as provided in section 6 of 2016 PA 470, MCL 399.806, the
19 department is exempt from section 261 of the management and budget
20 act, 1984 PA 431, MCL 18.1261.

21 Sec. 405. As appropriated in part 1, proceeds in excess of
22 costs incurred in the conduct of auctions, sales, or transfers of
23 artifacts no longer considered suitable for the collections of the
24 state historical museum may be expended upon receipt for additional
25 material for the collection. The department shall notify the

1 chairpersons, vice chairpersons, and minority vice chairpersons of
2 the senate and house appropriations subcommittees on natural
3 resources 1 week prior to any auctions or sales. Any unexpended
4 funds may be carried forward into the next succeeding fiscal year.

5 Sec. 406. As appropriated in part 1, funds collected by the
6 department for historical markers; document reproduction and
7 services; conferences, admissions, workshops, and training classes;
8 and the use of specialized equipment, facilities, exhibits,
9 collections, and software shall be used for expenses necessary to
10 provide the required services. The department may charge fees for
11 the aforementioned services, including admission fees. Any
12 unexpended funds may be carried forward into the next succeeding
13 fiscal year.

14 Sec. 408. By October 21, 2017, the department shall submit to
15 the senate and house appropriations subcommittees on natural
16 resources a report on all land transactions approved by the natural
17 resources commission in the fiscal year ending September 30, 2017.
18 For each land transaction, the report shall include the size of the
19 parcel, the county and municipality in which the parcel is located,
20 the dollar amount of the transaction, the fund source affected by
21 the transaction, and whether the transaction is by purchase, public
22 auction, transfer, exchange, or conveyance.

23 WILDLIFE DIVISION

24 Sec. 503. From the funds appropriated in part 1, the
25 department shall produce a report detailing any efforts undertaken
26 to enforce the invasive species order on swine raised under the

husbandry of residents of this state. The report shall include fund sources used and the amount of expenditures and shall be submitted to the legislature by December 31, 2017.

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests

1 of either of the following:

2 (a) The department of environmental quality as a condition for
3 issuance of a certification under section 401 of the federal water
4 pollution control act, 33 USC 1341.

5 (b) The Federal Energy Regulatory Commission as a condition of
6 licensing under the federal power act, 16 USC 791a to 825r.

7 Sec. 603. The department shall provide an annual report to the
8 legislature on use of funding provided for cormorant management.
9 The department shall use general fund/general purpose revenue for
10 this purpose and submit revenue appropriated in part 1 for
11 cormorant management to the United States Department of Agriculture
12 Animal and Plant Health Inspection Service to allow for increased
13 taking of cormorants and their nests. If any funds appropriated for
14 cormorant management are retained by the department, or other funds
15 become available for this purpose, the department shall use those
16 funds to harass cormorants with the goal of reducing foraging
17 attempts on fish populations.

18 **FOREST RESOURCES DIVISION**

19 Sec. 802. From the funds appropriated in part 1, the
20 department shall provide quarterly reports on the number of acres
21 of state forestland marked or treated for timber harvest to the
22 senate and house appropriations subcommittees on natural resources
23 and the standing committees of the senate and house of
24 representatives with primary responsibility for natural resources
25 issues. The department shall complete and deliver these reports by
26 45 days after the end of the fiscal quarter.

1 Sec. 803. In addition to the money appropriated in part 1, the
2 department may receive and expend money from federal sources to
3 provide response to wildfires as required by a compact with the
4 federal government. If additional expenditure authorization is
5 required, the department shall notify the state budget office that
6 expenditure under this section is required. The department shall
7 notify the house and senate appropriations subcommittees on natural
8 resources and the house and senate fiscal agencies by November 1,
9 2017, of the expenditures under this section during the fiscal year
10 ending September 30, 2017.

11 Sec. 807. (1) In addition to the funds appropriated in part 1,
12 there is appropriated from the disaster and emergency contingency
13 fund up to \$800,000.00 to cover costs related to any disaster as
14 defined in section 2 of the emergency management act, 1976 PA 390,
15 MCL 30.402.

16 (2) Funds appropriated under subsection (1) shall not be
17 expended unless the state budget director recommends the
18 expenditure and the department notifies the house and senate
19 committees on appropriations. By December 1 each year, the
20 department shall provide a report to the senate and house fiscal
21 agencies and the state budget office on the use of the disaster and
22 emergency contingency fund during the prior fiscal year.

23 (3) If Federal Emergency Management Agency (FEMA)
24 reimbursement is approved for costs paid from the disaster and
25 emergency contingency fund, the federal revenue shall be deposited
26 into the disaster and emergency contingency fund.

27 (4) Unexpended and unencumbered funds remaining in the

1 disaster and emergency contingency fund at the close of the fiscal
2 year shall not lapse to the general fund and shall be carried
3 forward and be available for expenditures in subsequent fiscal
4 years.

5 Sec. 808. (1) From the increased funds appropriated in part 1
6 for forest management and timber market development, the department
7 shall increase the harvest of timber on state forestlands. The
8 purpose of this program expansion is to expand the forest products
9 economy.

10 (2) The department shall identify specific outcomes and
11 performance metrics for this initiative, such as increasing the
12 number of acres prepared for timber sale.

13 **LAW ENFORCEMENT**

14 Sec. 901. The appropriation in part 1 for snowmobile law
15 enforcement grants shall be used by the department to provide
16 grants to county law enforcement agencies to enforce part 821 of
17 the natural resources and environmental protection act, 1994 PA
18 451, MCL 324.82101 to 324.82161, including rules promulgated under
19 that part and ordinances enacted pursuant to that part. The
20 department shall consider the number of enforcement hours and the
21 number of miles of snowmobile trails in each county in allocating
22 these grants. Any funds not distributed to counties revert back to
23 the snowmobile registration fee subaccount created under section
24 82111 of the natural resources and environmental protection act,
25 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
26 reports to the department on the use of grant money received under

1 this section.

2 Sec. 902. The department shall provide a report on the marine
3 safety grant program to the senate and house appropriations
4 subcommittees on natural resources and the senate and house fiscal
5 agencies by December 1, 2017. The report shall include the
6 following information for the preceding year: the total amount of
7 revenue received for watercraft registrations, the amount deposited
8 into the marine safety fund, and the expenditures made from the
9 marine safety fund, including the amounts expended for department
10 administration, other state agencies, the law enforcement division,
11 and grants to counties. The report shall also include the
12 distribution methodology used by the department to distribute the
13 marine safety grants and a list of the grants and the amounts
14 awarded by county.

15 Sec. 903. From the increased funds appropriated in part 1 for
16 conservation officers, the department shall hire, train, and outfit
17 6 detectives or specialists, or both, as well as 2 support staff.
18 The primary purpose of the new staff is to conduct long-term
19 surveillance and covert investigations to combat illegal activities
20 and enforce regulations.

21 **GRANTS**

22 Sec. 1001. Federal pass-through funds to local institutions
23 and governments that are received in amounts in addition to those
24 included in part 1 for grants to communities - federal oil, gas,
25 and timber payments and that do not require additional state
26 matching funds are appropriated for the purposes intended. By

November 30, 2017, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2017.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. From the increased funds appropriated in part 1 for wetland mitigation banking, the department shall increase available wetland mitigation bank credits with a goal of 1,800. The purpose of this program is to provide affordable mitigation credits for municipalities and agricultural producers.

Sec. 1204. The department shall provide a report on the wetland mitigation banking program to the house and senate appropriations committees by March 31, 2018. The report shall include all of the following information for the current fiscal year:

(a) A plan for development of land for the program.

(b) A goal for number of credits sold.

(c) A timeline of completed and expected transactions.

Sec. 1205. The department shall provide a report on the

wetland mitigation banking program to the house and senate appropriations committees by September 30, 2018. The report shall include all of the following information:

(a) For the current fiscal year, the acreage of land developed for the program and the number of credits sold.

(b) For the next fiscal year, a timeline of expected transactions.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY

Full-time equated unclassified positions 3.0

Full-time equated classified positions 3,431.0

GROSS APPROPRIATION \$ 692,589,100

Interdepartmental grant and intradepartmental transfer revenues:

Total interdepartmental grants and intradepartmental

transfers 26,221,600

ADJUSTED GROSS APPROPRIATION \$ 666,367,500

Federal revenues:

1	Total federal revenues	83,662,500
2	Special revenue funds:	
3	Total local revenues	5,835,200
4	Total private revenues	178,100
5	Total other state restricted revenues	139,423,700
6	State general fund/general purpose	\$ 437,268,000
7	State general fund/general purpose schedule:	
8	Ongoing state general fund/general	
9	purpose	417,491,100
10	One-time state general fund/general	
11	purpose	19,776,900
12	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated unclassified positions	3.0
14	Unclassified salaries--3.0 FTE positions	\$ 586,100
15	Full-time equated classified positions	83.0
16	Accounting service center	1,066,500
17	Department services--58.0 FTE positions	8,823,200
18	Departmentwide	40,942,200
19	Executive direction--25.0 FTE positions	<u>4,170,100</u>
20	GROSS APPROPRIATION	\$ 55,588,100
21	Appropriated from:	
22	Interdepartmental grant and intradepartmental	
23	transfer revenues:	
24	Total interdepartmental grants and intradepartmental	
25	transfers.....	363,500
26	Federal revenues:	
27	Total federal revenues	546,000

1 Special revenue funds:
 2 Total local revenues 6,200
 3 Total other state restricted revenues 5,506,200
 4 State general fund/general purpose \$ 49,166,200
 5 **Sec. 103. LAW ENFORCEMENT SERVICES**
 6 Full-time equated classified positions 530.0
 7 Biometrics and identification--54.0 FTE positions \$ 9,294,100
 8 Criminal justice information center--134.0 FTE
 9 positions..... 19,917,400
 10 Forensic science--270.0 FTE positions 43,876,100
 11 Grants and community services--17.0 FTE positions 19,042,500
 12 Training--55.0 FTE positions 10,466,100
 13 GROSS APPROPRIATION \$ 102,596,200
 14 Appropriated from:
 15 Interdepartmental grant and intradepartmental
 16 transfer revenues:
 17 Total interdepartmental grants and intradepartmental
 18 transfers..... 5,698,200
 19 Federal revenues:
 20 Total federal revenues 16,409,400
 21 Special revenue funds:
 22 Total local revenues 915,300
 23 Total private revenues 100,000
 24 Total other state restricted revenues 36,591,700
 25 State general fund/general purpose \$ 42,881,600
 26 **Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT**
 27 **STANDARDS**

1	Full-time equated classified positions	18.0	
2	Public safety officers benefit program--1.0 FTE		
3	position.....	\$	151,100
4	Standards and training/justice training grants--17.0		
5	FTE positions.....		9,887,100
6	Training only to local units		<u>654,500</u>
7	GROSS APPROPRIATION	\$	10,692,700
8	Appropriated from:		
9	Federal revenues:		
10	Total federal revenues		175,700
11	Special revenue funds:		
12	Total other state restricted revenues		9,215,900
13	State general fund/general purpose	\$	1,301,100
14	Sec. 105. FIELD SERVICES		
15	Full-time equated classified positions	2,213.0	
16	Investigative services--180.5 FTE positions	\$	33,824,800
17	Post operations--2,002.5 FTE positions		295,519,600
18	Roadside saliva testing pilot		100
19	Impaired driving safety commission fund		100
20	Secure cities partnership--30.0 FTE positions		<u>7,831,100</u>
21	GROSS APPROPRIATION	\$	337,175,700
22	Appropriated from:		
23	Interdepartmental grant and intradepartmental		
24	transfer revenues:		
25	Total interdepartmental grants and intradepartmental		
26	transfers.....		6,871,600
27	Federal revenues:		

1	Total federal revenues	6,675,300
2	Special revenue funds:	
3	Total local revenues	2,079,400
4	Total other state restricted revenues	49,519,700
5	State general fund/general purpose	\$ 272,029,700
6	Sec. 106. SPECIALIZED SERVICES	
7	Full-time equated classified positions	587.0
8	Commercial vehicle enforcement--211.0 FTE positions ..	\$ 28,721,700
9	Commercial vehicle regulation--12.0 FTE positions	2,226,200
10	Emergency management and homeland security--64.0 FTE	
11	positions.....	15,602,300
12	Hazardous materials programs--25.0 FTE positions	30,139,700
13	Highway safety planning--26.0 FTE positions	18,001,900
14	Intelligence operations--181.0 FTE positions	24,223,500
15	Secondary road patrol program--1.0 FTE position	11,069,300
16	Special operations--67.0 FTE positions	<u>12,012,500</u>
17	GROSS APPROPRIATION	\$ 141,997,100
18	Appropriated from:	
19	Interdepartmental grant and intradepartmental	
20	transfer revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers.....	12,823,500
23	Federal revenues:	
24	Total federal revenues	58,899,000
25	Special revenue funds:	
26	Total local revenues	1,700,100
27	Total private revenues	78,100

1	Total other state restricted revenues	29,219,100
2	State general fund/general purpose	\$ 39,277,300
3	Sec. 107. INFORMATION TECHNOLOGY	
4	Information technology services and projects	\$ <u>24,762,400</u>
5	GROSS APPROPRIATION	\$ 24,762,400
6	Appropriated from:	
7	Interdepartmental grant and intradepartmental	
8	transfer revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers.....	464,800
11	Federal revenues:	
12	Total federal revenues	957,100
13	Special revenue funds:	
14	Total local revenues	1,134,200
15	Total other state restricted revenues	9,371,100
16	State general fund/general purpose	\$ 12,835,200
17	Sec. 108. ONE-TIME APPROPRIATIONS	
18	Advanced 9-1-1	\$ 2,200,000
19	Disaster and emergency contingency fund	7,000,000
20	Equipment lifecycle replacement - secure cities	1,000,000
21	Fair and impartial policing training grants	1,000,000
22	Forensic science	730,000
23	Law enforcement job task analysis	200,000
24	Michigan International Speedway traffic control	800,000
25	Sexual assault prevention and education initiative ...	600,000
26	Trooper school	<u>6,246,900</u>
27	GROSS APPROPRIATION	\$ 19,776,900

1 Appropriated from:

2 State general fund/general purpose \$ 19,776,900

3 PART 2

4 PROVISIONS CONCERNING APPROPRIATIONS

5 FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$576,691,700.00 and state
 10 spending from state resources to be paid to local units of
 11 government for fiscal year 2017-2018 is \$14,113,200.00. The
 12 itemized statement below identifies appropriations from which
 13 spending to local units of government will occur:

14 DEPARTMENT OF STATE POLICE

15	Standards and training/justice training grants	\$	2,500,100
16	Training only to local units		654,500
17	Secondary road patrol program		<u>10,958,600</u>
18	TOTAL	\$	14,113,200

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) "CJIS" means Criminal Justice Information Systems.

24 (b) "Core service" means that phrase as defined in section 373
 25 of the management and budget act, 1984 PA 431, MCL 18.1373.

- 1 (c) "Department" means the department of state police.
- 2 (d) "Director" means the director of the department.
- 3 (e) "DNA" means deoxyribonucleic acid.
- 4 (f) "DTMB" means the department of technology, management, and
5 budget.
- 6 (g) "FTE" means full-time equated.
- 7 (h) "IDG" means interdepartmental grant.
- 8 (i) "MCOLES" means the Michigan commission on law enforcement
9 standards.
- 10 (j) "Subcommittees" means the subcommittees of the senate and
11 house standing committees on appropriations with jurisdiction over
12 the budget for the department.
- 13 (k) "Support service" means an activity required to support
14 the ongoing delivery of core services.
- 15 Sec. 204. The departments and agencies receiving
16 appropriations in part 1 shall use the internet to fulfill the
17 reporting requirements of this part. This requirement may include
18 transmission of reports via electronic mail to the recipients
19 identified for each reporting requirement, or it may include
20 placement of reports on an internet or intranet site.
- 21 Sec. 205. Funds appropriated in part 1 shall not be used for
22 the purchase of foreign goods or services, or both, if
23 competitively priced and of comparable quality American goods or
24 services, or both, are available. Preference shall be given to
25 goods or services, or both, manufactured or provided by Michigan
26 businesses, if they are competitively priced and of comparable
27 quality. In addition, preference shall be given to goods or

1 services, or both, that are manufactured or provided by Michigan
2 businesses owned and operated by veterans, if they are
3 competitively priced and of comparable quality.

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

11 Sec. 207. 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. 208. 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. 209. Not later than November 30, the state budget office
7 shall prepare and transmit a report that provides for estimates of
8 the total general fund/general purpose appropriation lapses at the
9 close of the prior fiscal year. This report shall summarize the
10 projected year-end general fund/general purpose appropriation
11 lapses by major departmental program or program areas. The report
12 shall be transmitted to the chairpersons of the senate and house
13 appropriations committees, the subcommittees, and the senate and
14 house fiscal agencies.

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

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$3,500,000.00 for state
23 restricted 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.

27 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$1,000,000.00 for local
2 contingency funds. These funds are not available for expenditure
3 until they have been transferred to another line item in this part
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 \$200,000.00 for private
8 contingency funds. These funds are not available for expenditure
9 until they have been transferred to another line item in this part
10 under section 393(2) of the management and budget act, 1984 PA 431,
11 MCL 18.1393.

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

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 212. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the senate and house appropriations subcommittees chairs,

1 and the senate and house fiscal agencies with an annual report on
2 estimated state restricted fund balances, state restricted fund
3 projected revenues, and state restricted fund expenditures for the
4 fiscal years ending September 30, 2017 and September 30, 2018.

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

9 Sec. 214. Total authorized appropriations from all sources
10 under part 1 for legacy costs for the fiscal year ending September
11 30, 2018 are estimated at \$124,240,400.00. From this amount, total
12 agency appropriations for pension-related legacy costs are
13 estimated at \$70,149,700.00. Total agency appropriations for
14 retiree health care legacy costs are estimated at \$54,090,700.00.

15 Sec. 215. Based on the availability of federal funding and the
16 demonstrated need as indicated by applications submitted to the
17 state court administrative office, the department shall provide
18 \$1,500,000.00 in Byrne justice assistance grant program funding to
19 the judiciary by interdepartmental grant.

20 Sec. 216. A department or state agency shall not take
21 disciplinary action against an employee for communicating with a
22 member of the legislature or his or her staff.

23 Sec. 217. The department shall provide quarterly reports to
24 the subcommittees, the senate and house fiscal agencies, and the
25 state budget office that provide the following data:

26 (a) A list of major work projects, including the status of
27 each project.

1 (b) The department's financial status, featuring a report of
2 budgeted versus actual expenditures by part 1 line item including a
3 year-end projection of budget requirements. If projected department
4 budget requirements exceed the allocated budget, the report shall
5 include a plan to reduce overall expenses while still satisfying
6 specified service level requirements.

7 (c) A report on the performance metrics cited or information
8 required to be reported in this part, reasons for nonachievement of
9 metric targets, and proposed corrective actions.

10 Sec. 218. The appropriations in part 1 are for the core
11 services, support services, and work projects of the department,
12 including, but not limited to, the following core services:

13 (a) State security operations.

14 (b) Training.

15 (c) Michigan commission on law enforcement standards.

16 (d) Criminal justice information systems.

17 (e) Forensic analysis and biometric identification.

18 (f) Post operations and investigative services.

19 (g) Special operations.

20 (h) Intelligence operations.

21 (i) Commercial vehicle regulation and enforcement.

22 (j) Emergency management and homeland security.

23 (k) Highway safety planning.

24 (l) Secondary road patrol program.

25 Sec. 219. 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. 220. 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. 221. (1) When the department provides contractual
12 services to a local unit of government, the department shall be
13 reimbursed for all costs incurred in providing the services,
14 including, but not limited to, retirement and overtime costs.

15 (2) The department shall define service cost models for those
16 services requiring reimbursement.

17 (3) Contractual services provided to an entity other than a
18 local unit of government may be provided by department personnel,
19 but only on an overtime basis outside the normal work schedule of
20 the personnel.

21 (4) This section does not apply to services provided to state
22 agencies.

23 (5) Revenues received for contractual or reimbursed services
24 in excess of the appropriation in part 1 are appropriated and may
25 be received and expended by the department for the purposes for
26 which funds are received.

27 (6) If additional authorization is approved in the statewide

1 integrated governmental management application (SIGMA) by the state
2 budget office under this section, the department shall notify the
3 subcommittees and the senate and house fiscal agencies within 10
4 days after the approval. The notification shall include the amount
5 and funding source of the additional authorization, the date of its
6 approval, and the projected use of funds to be expended.

7 Sec. 222. The department shall serve as an active liaison
8 between the DTMB and state, local, regional, and federal public
9 safety agencies on matters pertaining to the Michigan public safety
10 communications system and shall report user issues to the DTMB.

11 Sec. 223. Money privately donated to the department is
12 appropriated under part 1 to be used for the purposes designated by
13 the donor of the money, if specified.

14 Sec. 224. (1) Federal revenues authorized by and available
15 from the federal government in excess of the appropriation in part
16 1 are appropriated and may be received and expended by the
17 department for purposes authorized under state law and subject to
18 federal requirements.

19 (2) If additional authorization is approved in the statewide
20 integrated governmental management application (SIGMA) by the state
21 budget office under this section, the department shall notify the
22 subcommittees and the senate and house fiscal agencies within 10
23 days after the approval. The notification shall include the amount
24 and funding source of the additional authorization, the date of its
25 approval, and the projected use of funds to be expended.

26 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

1 Sec. 301. (1) The department shall provide security services
2 at the State Capitol Complex facilities and the State Secondary
3 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

4 (2) The department shall maintain the staff and resources
5 necessary to respond to emergencies at the State Capitol Complex,
6 State Secondary Complex, House Office Building, Farnum Building,
7 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking
8 Ramp, and other areas as directed.

9 (3) The department may develop a phased approach for improving
10 security at the Capitol Building.

11 (4) The department shall maintain a goal of annually
12 conducting 35,000 property inspections of state owned and leased
13 facilities.

14 LAW ENFORCEMENT SERVICES

15 Sec. 401. (1) The department shall provide performance data as
16 provided under section 217 for average classroom occupancy rate,
17 with an annual goal of at least 55%.

18 (2) The department shall submit a report to the subcommittees
19 and the senate and house fiscal agencies within 60 days of the
20 conclusion of any trooper, motor carrier, or state properties
21 security recruit school. The report shall include the following:

22 (a) The number of veterans and the number of MCOLES-certified
23 police officers who were admitted to and the number who graduated
24 from the recruit school.

25 (b) The total number of recruits who were admitted to the
26 school, the number of recruits who graduated from the school, and

1 the location at which each of these recruits is assigned.

2 (3) The department shall distribute and review course
3 evaluations to ensure that quality training is provided.

4 Sec. 402. (1) In accordance with applicable state and federal
5 laws and regulations, the department shall maintain and ensure
6 compliance with CJIS databases and applications in the support of
7 public safety and law enforcement communities.

8 (2) The department shall improve the accuracy, timeliness, and
9 completeness of criminal history information by conducting a
10 minimum of 30 outreach activities targeted to criminal justice
11 agencies.

12 (3) The department shall provide for the compilation of crime
13 statistics consistent with the uniform crime reporting (UCR)
14 program and the national incident-based report system (NIBRS).

15 (4) The department shall provide for the compilation and
16 evaluation of traffic crash reports and the maintenance of the
17 state accident data collection system.

18 (5) The department shall make traffic crash information
19 available to the public at a reasonable cost. For bulk access to
20 the accident records in which the vehicle identification number has
21 been collected and computerized, the department shall make those
22 records available to the public at cost, provided that the name and
23 address have been excluded.

24 (6) In accordance with applicable state and federal laws and
25 regulations, the department shall provide for the maintenance and
26 dissemination of criminal history records and juvenile records,
27 including to the extent necessary to exchange criminal history

1 records information with the Federal Bureau of Investigation and
2 other states through the interstate identification index, the
3 National Crime Information Center, and other federal CJIS databases
4 and indices.

5 (7) In accordance with applicable state and federal laws, the
6 department shall provide for the maintenance of records, including
7 criminal history records regarding firearms licensure.

8 (8) The following unexpended and unencumbered revenues
9 deposited into the criminal justice information center service fees
10 shall not lapse to the general fund, but shall be carried forward
11 into the subsequent fiscal year:

12 (a) Fees for fingerprinting and criminal record checks and
13 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
14 28.273.

15 (b) Fees for application and licensing for initial and renewal
16 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

17 (c) Revenue from other sources, including, but not limited to,
18 investment and interest earnings.

19 (9) Unexpended and unencumbered revenue generated by state
20 records management system fees shall not lapse to the general fund,
21 but shall be carried forward into the subsequent fiscal year.

22 Sec. 403. (1) The department shall provide forensic testing
23 services to aid in criminal investigations.

24 (2) The department shall ensure its ability to maintain
25 accreditation by a federally designated accrediting agency, as
26 provided under 42 USC 14132.

27 (3) The department shall provide forensic science services

1 with an average turnaround time of 55 days, assuming an annual
2 caseload volume commensurate with that received in fiscal year
3 2012-2013, and shall achieve a goal of a 30-day average turnaround
4 time across all forensic science disciplines.

5 (4) The department shall provide the following data as
6 provided in section 217:

7 (a) The average turnaround time for processing forensic
8 evidence across all disciplines.

9 (b) Forensic laboratory staffing levels, including scientists
10 in training, and vacancies.

11 (c) The number of backlogged cases in each discipline.

12 (5) The department shall provide for the forensic testing and
13 analysis/profiling of DNA evidence to aid criminal investigations
14 by law enforcement agencies in this state.

15 Sec. 404. (1) The biometrics and identification division shall
16 house and manage the automated fingerprint identification system,
17 the statewide network of agency photographs, and combined offender
18 DNA index system biometric databases.

19 (2) The department shall provide data on the number of 10-
20 print and palm-print submissions to the database, with a goal of at
21 least 97% of submissions provided electronically as provided in
22 section 217.

23 (3) The department shall maintain the staffing and resources
24 necessary to have a 28-day average wait time for scheduling a
25 polygraph examination, assuming an annual caseload received
26 commensurate with fiscal year 2012-2013, with a goal of achieving a
27 15-day average wait time.

1 (4) If changes are made to the department's protocol for
2 retaining and purging DNA analysis samples and records, the
3 department shall post a copy of the protocol changes on the
4 department's website.

5 Sec. 405. Not later than December 1 of the subsequent fiscal
6 year, the department shall submit a report to the subcommittees and
7 senate and house fiscal agencies that includes, but is not limited
8 to, all of the following information:

9 (a) Sexual assault kit analysis backlog at the beginning of
10 the current fiscal year.

11 (b) The number of sexual assault kits collected or submitted
12 for analysis during the current fiscal year.

13 (c) The number of sexual assault kits analyzed and the number
14 of associated DNA profiles created and uploaded during the current
15 fiscal year.

16 (d) Sexual assault kit analysis backlog at the ending of the
17 current fiscal year.

18 (e) The average turnaround time to analyze sexual assault kits
19 and to create and upload associated DNA profiles for the current
20 fiscal year.

21 Sec. 406. The department shall provide administrative support
22 for the following grant and community service programs:

23 (a) The operations of the automobile theft prevention
24 authority.

25 (b) Administration of the Edward Byrne memorial justice
26 assistance program and other grant programs as well as the
27 department's community policing efforts.

(c) Oversight and administration of 9-1-1 operations statewide.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and 4,000 shall be committed to Belle Isle. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis

1 capabilities and identifying crime trends and areas with high
2 occurrence of crime.

3 (3) The department shall maintain the staffing and resources
4 necessary to perform activities to maintain a 93% compliance rate
5 for reporting by registered sex offenders.

6 (4) The department shall submit a report on or before December
7 1 to the subcommittees and senate and house fiscal agencies
8 regarding the secure cities partnership during the prior fiscal
9 year.

10 Sec. 602. (1) The department shall identify and apprehend
11 criminals through criminal investigations in this state.

12 (2) The department shall maintain the staffing and resources
13 necessary to provide a comparable number of hours investigating
14 crimes as those performed in fiscal year 2012-2013.

15 (3) The department shall maintain the staffing and resources
16 necessary to annually meet or exceed a case clearance rate of 62%.

17 (4) The department shall annually provide 4 training
18 opportunities to local law enforcement partners with the goal of
19 increasing their knowledge of gambling laws, trends, legal issues,
20 and opioid-related investigations.

21 (5) The department shall maintain the staffing and resources
22 necessary to increase the number of opioid-related investigations
23 by 20% above the number of such investigations conducted in the
24 2014-2015 fiscal year conducted by multijurisdictional task forces
25 and hometown security teams. The department shall work to enhance
26 investigative and drug interdiction efforts by enhancing data
27 analysis capabilities and linking investigations among

1 multijurisdictional task forces and hometown security teams.

2 Sec. 603. (1) The department shall provide protection to this
3 state, its economy, welfare, and vital state-sponsored programs
4 through the prevention and suppression of organized smuggling of
5 untaxed tobacco products in the state, through enforcement of the
6 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
7 other laws pertaining to combating criminal activity in this state,
8 by maintaining a tobacco tax enforcement unit.

9 (2) The department shall submit an annual report on December 1
10 to the subcommittees, the senate and house appropriations
11 subcommittees on general government, the senate and house fiscal
12 agencies, and the state budget office that details expenditures and
13 activities related to tobacco tax enforcement for the prior fiscal
14 year.

15 (3) The tobacco tax enforcement unit shall dedicate a minimum
16 of 16,600 hours to tobacco tax enforcement.

17 Sec. 604. (1) The department shall provide fire investigation
18 services to citizens of this state through training and
19 investigative assistance to public safety agencies in this state.

20 (2) The department shall maintain the staffing and resources
21 necessary to maintain readiness to respond appropriately to at
22 least the number of requests for fire investigation services that
23 occurred in fiscal year 2010-2011 and shall be available for call
24 out statewide 100% of the time.

25 **SPECIALIZED SERVICES**

26 Sec. 701. (1) The department shall operate the Michigan

1 intelligence operation center for homeland security as the state's
2 primary federally designated fusion center to receive, analyze,
3 gather, and disseminate threat-related information among federal,
4 state, local, tribal, and private sector partners.

5 (2) The department shall ensure public safety by providing
6 public and private sector partners with timely and accurate
7 information regarding critical information key resource threats as
8 reported to or discovered by the Michigan intelligence operations
9 center for homeland security and shall increase public awareness on
10 how to report suspicious activity through website or telephone
11 communications.

12 (3) 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 (4) The department shall maintain the staffing and resources
24 necessary to provide digital forensic analysis services with a goal
25 of decreasing backlogs of digital forensic analysis cases annually
26 until the department maintains a 60-day turnaround time.

27 Sec. 702. (1) The department shall provide specialized

1 services in support of, and to enhance, local, state, and federal
2 law enforcement operations within this state in accordance with all
3 applicable state and federal laws and regulations.

4 (2) The department shall maintain the staffing and resources
5 necessary to provide training to maintain readiness to respond
6 appropriately to at least the number of requests for specialty
7 services which occurred in fiscal year 2010-2011.

8 (3) The canine unit shall be available for call out statewide
9 100% of the time.

10 (4) The bomb squad unit shall be available for call out
11 statewide 100% of the time.

12 (5) The emergency support teams shall be available for call
13 out statewide 100% of the time.

14 (6) The marine services team shall be available for call out
15 statewide 100% of the time.

16 (7) Aviation services shall be available for call out
17 statewide 100% of the time, unless prohibited by weather or
18 unexpected mechanical breakdowns.

19 Sec. 703. (1) The department shall maintain commercial vehicle
20 regulation, school bus inspections, and enforcement activities,
21 including enforcement of requirements concerning size, weight, and
22 load restrictions; operating authority; registration; fuel taxes;
23 transportation of hazardous materials; operations of new entrants;
24 and commercial driver's licenses.

25 (2) The department shall maintain the staffing and resources
26 necessary to meet inspection goals consistent with the department's
27 federal motor carrier assistance program activities.

1 (3) Revenue collected under the motor carrier act, 1933 PA
2 254, MCL 475.1 to 479.42, shall be expended in accordance with that
3 act. Unexpended and unencumbered revenues shall not lapse to the
4 general fund but shall be carried forward into the subsequent
5 fiscal year.

6 Sec. 704. (1) The department shall coordinate the mitigation,
7 preparation, response, and recovery activities of municipal,
8 county, state, and federal governments, and other governmental
9 entities, for all hazards, disasters, and emergencies.

10 (2) The state director of emergency management may expend
11 money appropriated under part 1 to call upon any agency or
12 department of the state or any resource of the state to protect
13 life or property or to provide for the health or safety of the
14 population in any area of the state in which the governor proclaims
15 a state of emergency or state of disaster under 1945 PA 302, MCL
16 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
17 MCL 30.401 to 30.421. The state director of emergency management
18 may expend the amounts the director considers necessary to
19 accomplish these purposes. The director shall submit to the state
20 budget director as soon as possible a complete report of all
21 actions taken under the authority of this section. The report shall
22 contain, as a separate item, a statement of all money expended that
23 is not reimbursable from federal money. The state budget director
24 shall review the expenditures and submit recommendations to the
25 legislature in regard to any possible need for a supplemental
26 appropriation.

27 (3) In addition to the money appropriated in part 1, the

1 department may receive and expend money from local, private,
2 federal, or state sources for the purpose of providing emergency
3 management training to local or private interests and for the
4 purpose of supporting emergency preparedness, response, recovery,
5 and mitigation activity. If additional expenditure authorization in
6 the statewide integrated governmental management application
7 (SIGMA) is approved by the state budget office under this section,
8 the department and the state budget office shall notify the
9 subcommittees and the senate and house fiscal agencies within 10
10 days after the approval. The notification shall include the amount
11 and source and the additional authorization, the date of its
12 approval, and the projected use of funds to be expended under the
13 authorization.

14 (4) The department shall foster, promote, and maintain
15 partnerships to protect this state and homeland from all hazards.

16 (5) The department shall maintain the staffing and resources
17 necessary to do all of the following:

18 (a) Serve approximately 105 local emergency management
19 preparedness programs and 88 local emergency planning committees in
20 this state.

21 (b) Operate and maintain the state's emergency operations
22 center and provide command and control in support of emergency
23 response services.

24 (c) Maintain readiness, including training and equipment to
25 respond to civil disorders and natural disasters commensurate with
26 the capabilities of fiscal year 2010-2011.

27 (d) Perform hazardous materials response training.

1 (6) The department shall conduct a minimum of 6 training
2 sessions to enhance safe response in the event of natural or
3 manmade incidents, emergencies, or disasters.

4 (7) In addition to the funds appropriated in part 1, there is
5 appropriated from the disaster and emergency contingency fund an
6 amount necessary to cover costs related to any disaster or
7 emergency as defined in the emergency management act, 1976 PA 390,
8 MCL 30.401 to 30.421. Funds shall be expended as provided under
9 sections 18 and 19 of the emergency management act, 1976 PA 390,
10 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
11 Administrative Code.

12 (8) Funds in the disaster and emergency contingency fund shall
13 not be expended unless the state budget director approves the
14 expenditure and the department and the state budget office notify
15 the senate and house appropriations committees. If expenditures are
16 made from the disaster and emergency contingency fund during a
17 month, the department shall submit monthly reports to the house and
18 senate fiscal agencies detailing the purpose of the expenditures.
19 These monthly reports shall be submitted within 30 days after the
20 end of the month during which funds from the disaster and emergency
21 contingency fund were expended.

22 (9) Upon the declaration of a state of emergency or disaster
23 by the governor under section 3 of the emergency management act,
24 1976 PA 390, MCL 30.403, approval of the state budget director, and
25 notification of the subcommittees and house and senate fiscal
26 agencies, the director may expend funds appropriated from any
27 source to any line item within part 1 for the purpose of paying the

1 necessary and reasonable expenses incurred by the department in
2 responding to or mitigating the effects of any emergency or
3 disaster as those terms are defined in section 2 of the emergency
4 management act, 1976 PA 390, MCL 30.402.

5 Sec. 705. The department shall provide for the planning,
6 administration, and implementation of highway traffic safety
7 programs to save lives and reduce injuries on Michigan roads in
8 partnership with other public and private organizations.

9 Sec. 706. (1) The department shall provide funding to county
10 sheriff departments to patrol secondary roads.

11 (2) The sheriffs' duties under the secondary road patrol
12 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
13 to patrol and monitor traffic violations; to enforce the criminal
14 laws of this state, violations of which are observed by or brought
15 to the attention of the sheriff's department while patrolling and
16 monitoring secondary roads; to investigate accidents involving
17 motor vehicles; and to provide emergency assistance to persons on
18 or near a highway or road the sheriff is patrolling and monitoring.

19 (3) The department shall provide the following information on
20 secondary road patrol activities supported by appropriations in
21 part 1:

22 (a) The number of funded full-time equivalent county sheriff
23 secondary road patrol deputies.

24 (b) The number of hours dedicated to patrol under the
25 secondary road patrol program, with an annual goal of at least
26 178,000 hours.

27 (4) The information required to be reported under subsection

1 (3) shall be reported on an annual basis.

2 **ONE-TIME APPROPRIATIONS**

3 Sec. 901. (1) Funding provided in part 1 for the sexual
4 assault prevention and education initiative shall be used to
5 provide and administer grants to public or nonpublic community
6 colleges, colleges, and universities with a physical presence in
7 the state to address campus sexual assault issues to improve the
8 safety and security of students, faculty, and staff in campus
9 environments in the state.

10 (2) Grant funds awarded shall support sexual assault programs,
11 including education, awareness, prevention, reporting, and
12 bystander intervention programs.

13 (3) The department shall issue awards no later than December
14 1, 2017, with a grant period of 1 year.

15 (4) The department shall report on grant activities to the
16 subcommittees and the state budget office by February 28, 2019.

17 (5) Unexpended and unencumbered appropriations in part 1 for
18 the sexual assault prevention and education initiative are
19 designated as work project appropriations. Any unencumbered or
20 unallotted funds at the end of the fiscal year shall be carried
21 forward into the succeeding fiscal year. The following is in
22 compliance with section 451a(1) of the management and budget act,
23 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the project is to provide grants for sexual
25 assault education, awareness, prevention, reporting, and bystander
26 intervention programs.

(b) The project will be accomplished by grants to eligible community colleges, colleges, and universities.

(c) The total estimated cost of the project is \$600,000.00.

(d) The estimated completion date is September 30, 2019.

Sec. 902. Funding appropriated in part 1 for advanced 9-1-1 shall be used to support the costs for the administration and initial implementation of a supplemental 9-1-1 database that allows public safety answering points to view voluntarily disclosed information relevant to the 9-1-1 caller, including information on properties and household members, that would assist first responders in providing emergency services to the caller. The implementation of the database among public safety answering points and the funding for this purpose shall be overseen and administered by the office of the state 9-1-1 coordinator. Funds shall be payable by the office to a vendor based upon the number of public safety answering points implementing a supplemental database. Funds appropriated for advanced 9-1-1 shall be considered a work project, and unexpended and unencumbered funds shall be carried forward into the subsequent fiscal year.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for

the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

ARTICLE XVII

STATE TRANSPORTATION DEPARTMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2018, from the following funds:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions 4.0

Full-time equated classified positions 2,723.3

GROSS APPROPRIATION \$ 4,347,443,000

Total interdepartmental grants and intradepartmental

transfers 4,039,300

ADJUSTED GROSS APPROPRIATION \$ 4,343,403,700

Federal revenues:

Federal aid - transportation programs 1,340,301,200

Total federal revenues 1,340,301,200

1	Special revenue funds:	
2	Local revenues	50,532,000
3	Private revenues	100,000
4	Total local and private revenues	50,632,000
5	Blue Water Bridge fund	23,432,600
6	Comprehensive transportation fund	335,482,700
7	Economic development fund	44,085,000
8	Intercity bus equipment and facility fund	100,000
9	IRS debt service rebate	7,004,300
10	Local bridge fund	30,598,300
11	Michigan transportation fund	1,480,983,700
12	Qualified airport fund	6,500,000
13	Rail freight fund	6,000,000
14	State aeronautics fund	16,418,600
15	State trunkline fund	1,001,865,300
16	Total other state restricted revenues	2,952,470,500
17	State general fund/general purpose	\$ 0
18	Sec. 102. DEBT SERVICE	
19	Airport safety and protection plan	\$ 4,617,000
20	Blue Water Bridge fund	7,105,100
21	Comprehensive transportation	18,244,500
22	Economic development	11,548,300
23	Local bridge fund	2,315,400
24	State trunkline	<u>185,109,100</u>
25	GROSS APPROPRIATION	\$ 228,939,400
26	Appropriated from:	
27	Federal revenues:	

1	Federal aid - transportation programs	37,783,300
2	Special revenue funds:	
3	Blue Water Bridge fund	7,105,100
4	Comprehensive transportation fund	18,244,500
5	Economic development fund	11,548,300
6	IRS debt service rebate	7,004,300
7	Local bridge fund	2,315,400
8	State aeronautics fund	4,617,000
9	State trunkline fund	140,321,500
10	State general fund/general purpose \$	0
11	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY	
12	SUPPORT SERVICES	
13	CTF grant to civil service commission \$	200,000
14	CTF grant to department of attorney general	205,000
15	CTF grant to department of technology, management, and	
16	budget.....	45,500
17	CTF grant to department of treasury	12,700
18	CTF grant to legislative auditor general	39,000
19	MTF grant to department of environmental quality	1,345,900
20	MTF grant to department of state for collection of	
21	revenue and fees.....	20,000,000
22	MTF grant to department of treasury	2,701,700
23	MTF grant to legislative auditor general	315,800
24	SAF grant to civil service commission	150,000
25	SAF grant to department of attorney general	179,400
26	SAF grant to department of technology, management, and	
27	budget.....	34,600

1	SAF grant to department of treasury	73,400
2	SAF grant to legislative auditor general	30,300
3	STF grant to civil service commission	5,847,000
4	STF grant to department of attorney general	2,447,600
5	STF grant to department of state police	11,697,900
6	STF grant to department of technology, management, and	
7	budget.....	1,199,300
8	STF grant to department of treasury	169,800
9	STF grant to legislative auditor general	<u>733,500</u>
10	GROSS APPROPRIATION	\$ 47,428,400
11	Appropriated from:	
12	Special revenue funds:	
13	Comprehensive transportation fund	502,200
14	Michigan transportation fund	24,363,400
15	State aeronautics fund	467,700
16	State trunkline fund	22,095,100
17	State general fund/general purpose	\$ 0
18	Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
19	Full-time equated unclassified positions	4.0
20	Full-time equated classified positions	247.3
21	Unclassified salaries--4.0 FTE positions	\$ 566,600
22	Asset management council	1,876,400
23	Business support services--42.0 FTE positions	6,595,600
24	Commission audit--29.3 FTE positions	3,367,500
25	Economic development and enhancement programs--10.0	
26	FTE positions.....	1,643,500
27	Finance, contracts, and support services--166.0 FTE	

1	positions.....	19,893,200
2	Property management	7,103,500
3	Worker's compensation	<u>1,619,000</u>
4	GROSS APPROPRIATION	\$ 42,665,300
5	Appropriated from:	
6	IDG for accounting service center user charges	4,039,300
7	Special revenue funds:	
8	Comprehensive transportation fund	1,551,300
9	Economic development fund	380,400
10	Michigan transportation fund	4,217,100
11	State aeronautics fund	702,400
12	State trunkline fund	31,774,800
13	State general fund/general purpose	\$ 0
14	Sec. 105. INFORMATION TECHNOLOGY	
15	Information technology services and projects	\$ <u>33,465,900</u>
16	GROSS APPROPRIATION	\$ 33,465,900
17	Appropriated from:	
18	Federal revenues:	
19	Federal aid - transportation programs	520,500
20	Special revenue funds:	
21	Blue Water Bridge fund	55,300
22	Comprehensive transportation fund	225,100
23	Economic development fund	37,200
24	Michigan transportation fund	294,300
25	State aeronautics fund	175,600
26	State trunkline fund	32,157,900
27	State general fund/general purpose	\$ 0

1 Sec. 106. TRANSPORTATION PLANNING

2 Full-time equated classified positions 130.0

3 Planning services--130.0 FTE positions \$ 37,510,200

4 Grants to regional planning councils 488,800

5 GROSS APPROPRIATION \$ 37,999,000

6 Appropriated from:

7 Federal revenues:

8 Federal aid - transportation programs 19,250,000

9 Special revenue funds:

10 Comprehensive transportation fund 610,500

11 Michigan transportation fund 9,580,800

12 State aeronautics fund 15,000

13 State trunkline fund 8,542,700

14 State general fund/general purpose \$ 0

15 Sec. 107. DESIGN AND ENGINEERING SERVICES

16 Full-time equated classified positions 1,390.3

17 Program development, delivery, and system operations--

18 1,390.3 FTE positions \$ 151,538,100

19 GROSS APPROPRIATION \$ 151,538,100

20 Appropriated from:

21 Federal revenues:

22 Federal aid - transportation programs 23,529,800

23 Special revenue funds:

24 Comprehensive transportation fund 187,100

25 Michigan transportation fund 12,281,400

26 State aeronautics fund 160,300

27 State trunkline fund 115,379,500

1	State general fund/general purpose	\$	0
2	Sec. 108. HIGHWAY MAINTENANCE		
3	Full-time equated classified positions		793.7
4	State trunkline operations--793.7 FTE positions	\$	<u>317,593,400</u>
5	GROSS APPROPRIATION	\$	317,593,400
6	Appropriated from:		
7	Special revenue funds:		
8	State trunkline fund		317,593,400
9	State general fund/general purpose	\$	0
10	Sec. 109. ROAD AND BRIDGE PROGRAMS		
11	Cities and villages	\$	495,278,500
12	County road commissions		888,822,100
13	Grants to local programs		33,000,000
14	Local agency wetland mitigation bank fund		100
15	Local bridge program		28,282,900
16	Local federal aid and road and bridge construction ...		278,400,300
17	Movable bridge		5,110,000
18	Rail grade crossing		3,000,000
19	Rail grade crossing - surface improvements		3,000,000
20	State trunkline federal aid and road and bridge		
21	construction		<u>1,150,941,800</u>
22	GROSS APPROPRIATION	\$	2,885,835,700
23	Appropriated from:		
24	Federal revenues:		
25	Federal aid - transportation programs		1,061,767,600
26	Special revenue funds:		
27	Local funds		30,003,500

1	Blue Water Bridge fund	9,800,800
2	Local bridge fund	28,282,900
3	Michigan transportation fund	1,428,210,700
4	State trunkline fund	327,770,200
5	State general fund/general purpose	\$ 0
6	Sec. 110. BLUE WATER BRIDGE	
7	Full-time equated classified positions	41.0
8	Blue Water Bridge operations--41.0 FTE positions	\$ <u>6,471,400</u>
9	GROSS APPROPRIATION	\$ 6,471,400
10	Appropriated from:	
11	Special revenue funds:	
12	Blue Water Bridge fund	6,471,400
13	State general fund/general purpose	\$ 0
14	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT	
15	Forest roads	\$ 5,000,000
16	Rural county primary	7,779,800
17	Rural county urban system	2,500,000
18	Target industries/economic redevelopment	9,059,500
19	Urban county congestion	<u>7,779,800</u>
20	GROSS APPROPRIATION	\$ 32,119,100
21	Appropriated from:	
22	Special revenue funds:	
23	Economic development fund	32,119,100
24	State general fund/general purpose	\$ 0
25	Sec. 112. AERONAUTICS SERVICES	
26	Full-time equated classified positions	46.0
27	Air service program	\$ 250,000

1	Aviation services--46.0 FTE positions	<u>6,861,100</u>
2	GROSS APPROPRIATION	\$ 7,111,100
3	Appropriated from:	
4	Special revenue funds:	
5	State aeronautics fund	7,111,100
6	State general fund/general purpose	\$ 0
7	Sec. 113. PUBLIC TRANSPORTATION SERVICES	
8	Full-time equated classified positions	36.0
9	Passenger transportation services--36.0 FTE positions	\$ <u>5,789,100</u>
10	GROSS APPROPRIATION	\$ 5,789,100
11	Appropriated from:	
12	Federal revenues:	
13	Federal aid - transportation programs	972,100
14	Special revenue funds:	
15	Comprehensive transportation fund	4,817,000
16	State general fund/general purpose	\$ 0
17	Sec. 114. LOCAL BUS TRANSIT	
18	Local bus operating	\$ 189,750,000
19	Nonurban operating/capital	<u>28,027,900</u>
20	GROSS APPROPRIATION	\$ 217,777,900
21	Appropriated from:	
22	Federal revenues:	
23	Federal aid - transportation programs	26,027,900
24	Special revenue funds:	
25	Local funds	2,000,000
26	Comprehensive transportation fund	189,750,000
27	State general fund/general purpose	\$ 0

1	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
2	Full-time equated classified positions	39.0	
3	Detroit/Wayne County Port Authority	\$	100
4	Freight property management		1,000,000
5	Intercity services		8,060,000
6	Marine passenger service		400,000
7	Office of rail--39.0 FTE positions		6,483,400
8	Rail freight economic development		8,500,000
9	Rail operations and infrastructure		<u>114,959,600</u>
10	GROSS APPROPRIATION	\$	139,403,100
11	Appropriated from:		
12	Federal revenues:		
13	Federal aid - transportation programs		64,600,000
14	Special revenue funds:		
15	Local funds		260,000
16	Private funds		100,000
17	Comprehensive transportation fund		65,578,400
18	Intercity bus equipment and facility fund		100,000
19	Michigan transportation fund		2,036,000
20	Rail freight fund		6,000,000
21	State trunkline fund		728,700
22	State general fund/general purpose	\$	0
23	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
24	Municipal credit program	\$	2,000,000
25	Service initiatives		3,389,200
26	Specialized services		17,938,900
27	Transit capital		59,403,500

1	Transportation to work	3,700,000
2	Van pooling	<u>195,000</u>
3	GROSS APPROPRIATION	\$ 86,626,600
4	Appropriated from:	
5	Federal revenues:	
6	Federal aid - transportation programs	26,850,000
7	Special revenue funds:	
8	Local funds	5,760,000
9	Comprehensive transportation fund	54,016,600
10	State general fund/general purpose	\$ 0
11	Sec. 117. CAPITAL OUTLAY	
12	(1) BUILDINGS AND FACILITIES	
13	Salt storage buildings and containment control	\$ 2,500,000
14	Special maintenance, remodeling, and additions	3,001,500
15	GROSS APPROPRIATION	5,501,500
16	Appropriated from:	
17	State trunkline fund	5,501,500
18	State general fund/general purpose	\$ 0
19	(2) AIRPORT IMPROVEMENT PROGRAMS	
20	Airport safety, protection and improvement program ...	\$ 94,678,000
21	Detroit Metropolitan Wayne County Airport	6,500,000
22	GROSS APPROPRIATION	101,178,000
23	Appropriated from:	
24	Federal revenues:	
25	Federal aid - transportation programs	79,000,000
26	Special revenue funds:	
27	Local funds	12,508,500

1	Qualified airport fund	6,500,000
2	State aeronautics fund	3,169,500
3	State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 the fiscal year 2018 is \$2,952,470,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$1,729,747,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

16	Grants to regional planning councils	\$ 488,800
17	Grants to local programs	33,000,000
18	Rail grade crossing	1,500,000
19	Rail grade crossing - surface improvements	3,000,000
20	Local bridge program	28,282,900
21	Local agency wetlands mitigation	100
22	Movable bridge	2,555,000
23	Cities and villages	495,278,500
24	County road commissions	888,822,100
25	Forest roads	5,000,000
26	Rural county primary	7,779,800

1	Rural county urban system	2,500,000
2	Urban county congestion	7,779,800
3	Air service program	250,000
4	Local bus operating	189,750,000
5	Detroit/Wayne County Port Authority	100
6	Marine passenger service	400,000
7	Municipal credit program	2,000,000
8	Specialized services	3,853,900
9	Service initiatives	1,283,200
10	Transit capital	42,853,500
11	Transportation to work	3,700,000
12	Airport safety, protection, and improvement program ..	3,169,500
13	Detroit Metropolitan Wayne County Airport	<u>6,500,000</u>
14	TOTAL	\$ 1,729,747,200

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

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

- 19 (a) "CTF" means comprehensive transportation fund.
- 20 (b) "Department" means the state transportation department.
- 21 (c) "Director" means the director of the department.
- 22 (d) "DOT" means the United States Department of
- 23 Transportation.
- 24 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 25 (f) "FTE" means full-time equated.
- 26 (g) "IDG" means interdepartmental grant.
- 27 (h) "IRS" means the Internal Revenue Service.

1 (i) "MTF" means Michigan transportation fund.

2 (j) "SAF" means state aeronautics fund.

3 (k) "STF" means state trunkline fund.

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

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

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

26 Sec. 207. The departments and agencies receiving
27 appropriations in part 1 shall prepare a report on out-of-state

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

9 (a) The dates of each travel occurrence.

10 (b) The transportation and related costs of each travel
11 occurrence, including the proportion funded with state general
12 fund/general purpose revenues, the proportion funded with state
13 restricted revenues, the proportion funded with federal revenues,
14 and the proportion funded with other revenues.

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

21 Sec. 209. Not later than November 30, the state budget office
22 shall prepare and transmit a report that provides for estimates of
23 the total general fund/general purpose appropriation lapses at the
24 close of the prior fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major departmental program or program areas. The report
27 shall be transmitted to the chairpersons of the senate and house of

1 representatives standing committees on appropriations and the
2 senate and house fiscal agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$200,000,000.00 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 pursuant to section 393(2) of the management and budget
8 act, 1984 PA 431, MCL 18.1393.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$40,000,000.00 for state
11 restricted contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 pursuant to section 393(2) of the management and budget
14 act, 1984 PA 431, MCL 18.1393.

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

21 (4) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$1,000,000.00 for private
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 pursuant to section 393(2) of the management and budget act, 1984
26 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:

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 senate and house appropriations subcommittees on
16 transportation, respectively, and the senate and house fiscal
17 agencies with an annual report on estimated state restricted fund
18 balances, state restricted fund projected revenues, and state
19 restricted fund expenditures for the fiscal years ending September
20 30, 2017 and September 30, 2018.

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

25 Sec. 214. Total authorized appropriations from all sources
26 under part 1 for legacy costs for the fiscal year ending September
27 30, 2018 are \$63,943,300.00. From this amount, total agency

1 appropriations for pension-related legacy costs are estimated at
2 \$32,905,600.00. Total agency appropriations for retiree health care
3 legacy costs are estimated at \$31,037,700.00.

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

7 Sec. 217. The department shall provide notice to the speaker
8 of the house, the house minority leader, the senate majority
9 leader, the senate minority leader, the house and senate standing
10 committees on transportation, the appropriate house and senate
11 appropriations subcommittees on transportation, and the house and
12 senate fiscal agencies on proposed federal rule changes related to
13 the department that would require amendments to the laws of this
14 state. The notice shall be given within 30 business days of the
15 proposed federal rule being posted to the federal register and
16 shall include a description of the proposed federal rule, the
17 publication date, the date when public comment closes, the document
18 citation, and a description of the statutory changes needed when
19 the rule is finalized.

20 Sec. 270. In order to reduce costs and maintain quality, it is
21 the intent of the legislature that, excluding the fleet of motor
22 vehicles for the department of state police, the department will
23 prioritize the utilization of remanufactured parts as the primary
24 means of maintenance and repair for the state of Michigan's fleet
25 of motor vehicles.

26 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

1 Sec. 301. (1) The department may establish a fee schedule and
2 collect fees sufficient to cover the costs to issue the permits
3 that the department is authorized by law to issue upon request,
4 unless otherwise stipulated by law. All permit fees are
5 nonrefundable application fees and shall be credited to the
6 appropriate fund to recover the direct and indirect costs of
7 receiving, reviewing, and processing the requests.

8 (2) A bridge authority shall hold 3 public hearings on an
9 increase in any toll charged by the authority at least 30 days
10 before the toll change will become effective. Two of the hearings
11 shall be held within 5 miles of the bridge over which the bridge
12 authority has jurisdiction. One hearing shall be held in Lansing.
13 Public hearings held under this section shall be conducted in
14 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
15 15.275, and shall be conducted so as to provide a reasonable
16 opportunity for public comment, including both spoken and written
17 comments.

18 Sec. 304. If, as a requirement of bidding on a highway
19 project, the department requires a contractor to submit financial
20 or proprietary documentation as to how the bid was calculated, that
21 bid documentation shall be kept confidential and shall not be
22 disclosed other than to a department representative without the
23 contractor's written consent. The department may disclose the bid
24 documentation if necessary to address or defend a claim by a
25 contractor.

26 Sec. 305. (1) The department may permit space on public
27 passenger transportation properties to be occupied by public or

1 private tenants on a competitive market rate basis. The department
2 shall require that revenue from the tenants be placed in an account
3 to be used to pay the costs to maintain and improve the property.

4 (2) The department shall charge public transit agencies and
5 intercity bus carriers equal rates per square foot for leasing
6 space in state-owned intermodal facilities.

7 Sec. 306. (1) The amounts appropriated in part 1 to support
8 tax and fee collection, law enforcement, and other program services
9 provided to the department and to transportation funds by other
10 state departments shall be expended from transportation funds
11 pursuant to annual contracts between the department and those other
12 state departments. The contracts shall be executed prior to the
13 expenditure or obligation of those funds. The contracts shall
14 provide, but are not limited to, the following data applicable to
15 each state department:

16 (a) Estimated costs to be recovered from transportation funds.

17 (b) Description of services provided to the department and/or
18 transportation funds and financed with transportation funds.

19 (c) Detailed cost allocation methods appropriate to the type
20 of services being provided and the activities financed with
21 transportation funds.

22 (2) Not later than 2 months after publication of the state of
23 Michigan comprehensive annual financial report, each state
24 department receiving funding pursuant to an interdepartment
25 contract with the department shall submit a written report to the
26 department, the state budget director, and the house and senate
27 fiscal agencies stating by spending authorization account the

1 amount of estimated funds contracted with the department, the
2 amount of funds expended, the amount of funds returned to the
3 transportation funds, and any unreimbursed transportation-related
4 costs incurred but not billed to transportation funds. A copy of
5 the report shall be submitted to the auditor general, and the
6 report shall be subject to audit.

7 (3) The auditor general shall use a risk-based approach in
8 developing an audit program for the use of transportation funds.

9 Sec. 307. Before March 1 of each year, the department will
10 provide to the legislature, the state budget office, and the house
11 and senate fiscal agencies its rolling 5-year plan listing by
12 county or by county road commission all highway construction
13 projects for the fiscal year and all expected projects for the
14 ensuing fiscal years.

15 Sec. 310. The department shall provide in a timely manner
16 copies of the agenda and approved minutes of monthly transportation
17 commission meetings to the members of the house and senate
18 appropriations subcommittees on transportation, the house and
19 senate fiscal agencies, and the state budget director.

20 Sec. 313. (1) From funds appropriated in part 1, the
21 department may increase a state infrastructure bank program and
22 grant or loan funds in accordance with regulations of the state
23 infrastructure bank program of the United States Department of
24 Transportation. The state infrastructure bank is to be administered
25 by the department for the purpose of providing a revolving, self-
26 sustaining resource for financing transportation infrastructure
27 projects.

1 (2) In addition to funds provided in subsection (1), money
2 received by the state as federal grants, repayment of state
3 infrastructure bank loans, or other reimbursement or revenue
4 received by the state as a result of projects funded by the program
5 and interest earned on that money shall be deposited in the
6 revolving state infrastructure bank fund and shall be available for
7 transportation infrastructure projects. At the close of the fiscal
8 year, any unencumbered funds remaining in the state infrastructure
9 bank fund shall remain in the fund and be carried forward into the
10 succeeding fiscal year.

11 (3) The department shall submit a report to the state budget
12 director, the house and senate appropriations subcommittees on
13 transportation, and the house and senate fiscal agencies on the
14 status of the state infrastructure bank. The report shall be
15 submitted on or before December 1, 2017. The report shall include
16 all of the following:

17 (a) The balance in the state infrastructure bank at September
18 30, 2017, including a breakdown of the balance by cash and cash
19 equivalents, outstanding loans, and balance available for loan to
20 local agencies.

21 (b) A breakdown of the state infrastructure loan balance by
22 amounts designated as originating from federal sources and the
23 amounts originating from nonfederal sources.

24 (c) A list of outstanding loans by agency, original loan
25 amount, project description, loan term, and amount outstanding.

26 Sec. 353. The department shall review its contractor payment
27 process and ensure that all prime contractors are paid promptly.

1 The department shall ensure that prime contractors are in
2 compliance with special provision 109.10 regarding the prompt
3 payment of subcontractors.

4 Sec. 357. When presented with complete local federal aid
5 project submittals, the department shall complete all necessary
6 reviews and inspections required to let local federal aid projects
7 within 120 days of receipt. The department shall implement a system
8 for monitoring the local federal aid project review process.

9 Sec. 375. The department is prohibited from reimbursing
10 contractors or consultants for costs associated with groundbreaking
11 ceremonies, receptions, open houses, or press conferences related
12 to transportation projects funded, in whole or in part, by revenue
13 appropriated in part 1.

14 Sec. 376. The department shall not spend funds appropriated in
15 part 1 for the purpose of examining the potential association
16 between commercial signs, outdoor advertising signs, billboards,
17 digital billboards, or commercial electronic variable message signs
18 and motor vehicle activity or motor vehicle driver behavior.

19 Sec. 381. The department shall require as a condition of each
20 contract or subcontract for construction, maintenance, or
21 engineering services that the prequalified contractor or
22 prequalified subcontractor agree to use the E-Verify system to
23 verify that all persons hired during the contract term by the
24 contractor or subcontractor are legally present and authorized to
25 work in the United States. The department may verify this
26 information directly or may require contractors and subcontractors
27 to verify the information and submit a certification to the

1 department. The department shall report to the house and senate
2 appropriations committees and the house and senate fiscal agencies
3 by March 1 of each year describing the processes it has developed
4 and implemented under provisions of this section. As used in this
5 section, "E-Verify" means an internet-based system operated by the
6 Department of Homeland Security, U.S. Citizenship and Immigration
7 Services in partnership with the Social Security Administration.

8 Sec. 382. In administering a contract with a county road
9 commission, city, or village that allocates costs of construction
10 or reconstruction of highways, roads, and streets as provided in
11 section 18d of 1951 PA 51, MCL 247.668d, the department shall
12 submit the final cost-sharing bill to the county road commission,
13 city, or village not later than 2 years after the date of the final
14 contract payment to the construction contractor.

15 Sec. 383. (1) The department shall prepare a report on use of
16 department-owned aircraft during the fiscal year ending September
17 30, 2017. With respect to each department-owned aircraft, the
18 report shall include all of the following:

19 (a) Total hours of usage.

20 (b) Description of specific flights including dates of travel,
21 names of passengers including state agency, university, or local
22 government affiliation, travel origin and destination, and total
23 estimated costs associated with the air travel.

24 (2) The report shall be submitted to the senate and house
25 appropriations subcommittees on transportation and the house and
26 senate fiscal agencies no later than February 1, 2018.

27 (3) The department shall maintain a system for recovering the

1 cost of operating department-owned aircraft through charges to
2 aircraft users.

3 (4) From the funds appropriated in part 1, the department is
4 prohibited from transporting legislators or legislative staff on
5 state-owned aircraft without prior approval from the senate
6 majority leader or the speaker of the house of representatives and
7 only when the aircraft is already scheduled by state agencies on
8 related official state business.

9 Sec. 384. (1) Except as otherwise provided in subsection (2),
10 the department shall not obligate the state to expend any state
11 transportation revenue for construction planning or construction of
12 the Detroit River International Crossing or a renamed successor. In
13 addition, except as provided in subsection (2), the department
14 shall not commit the state to any new contract related to the
15 construction planning or construction of the Detroit River
16 International Crossing or a renamed successor that would obligate
17 the state to expend any state transportation revenue. An
18 expenditure for staff resources used in connection with project
19 activities, which expenditure is subject to full and prompt
20 reimbursement from Canada, shall not be considered an expenditure
21 of state transportation revenue.

22 (2) If the legislature enacts specific enabling legislation
23 for the construction of the Detroit River International Crossing or
24 a renamed successor, subsection (1) does not apply once the
25 enabling legislation goes into effect.

26 Sec. 385. (1) The department shall submit reports to the state
27 budget director, the speaker of the house, the house minority

1 leader, the senate majority leader, the senate minority leader, the
2 house and senate appropriations subcommittees on transportation,
3 and the house and senate fiscal agencies on department activities
4 related to all nonconstruction or construction planning activities
5 related to the Detroit River International Crossing or a renamed
6 successor. The initial report shall be submitted on or before
7 December 1, 2017 and shall cover the fiscal year ending September
8 30, 2017.

9 (2) The initial report shall include, at a minimum, all of the
10 following:

11 (a) Department costs incurred in the fiscal year ending
12 September 30, 2017, including employee salaries, wages, benefits,
13 travel, and contractual services, and what activities those costs
14 were related to.

15 (b) Costs of other executive branch agencies incurred in the
16 fiscal year ending September 30, 2017, including employee salaries,
17 wages, benefits, travel, and contractual services, and what
18 activities those costs were related to.

19 (c) A breakdown of the source of funds used for the activities
20 described in subdivisions (a) and (b).

21 (d) A breakdown of reimbursements made by Canada under section
22 384(1) to the state for expenditures for staff resources used in
23 connection with project activities.

24 (e) A narrative description of the status of the Detroit River
25 International Crossing or a renamed successor, including efforts
26 undertaken to implement provisions of the crossing agreement
27 executed June 15, 2012 by representatives of the Canadian

1 government and this state.

2 (3) After submission of the initial report, a subsequent
3 report shall be submitted on March 1, 2018, June 1, 2018, and
4 September 1, 2018 and shall include the same information described
5 in subsection (2) for the applicable previous fiscal quarter.

6 Sec. 386. (1) The department shall use all available toll
7 credits, as provided by public and private toll facilities in this
8 state and certified by the Federal Highway Administration, to match
9 available federal aid highway funds.

10 (2) In using toll credits as a method of financing federal
11 participating projects, the department shall use toll credits in
12 the following order of priority:

13 (a) Federal aid projects on roads and streets under the
14 jurisdiction of local road agencies.

15 (b) State trunkline projects within cities with a population
16 greater than 25,000 in order to limit the city cost share under
17 section 1c of 1951 PA 51, MCL 247.651c.

18 (c) Other federal aid highway projects on the state trunkline
19 system.

20 (d) Federal aid transit projects.

21 (3) In implementing this section, the department shall work
22 with the metropolitan planning commissions in this state.

23 Sec. 393. (1) The department shall promote best practices for
24 public transportation services in this state, including, but not
25 limited to, the following:

26 (a) Transit vehicle rehabilitation to reduce life-cycle cost
27 of public transportation through midlife rehabilitation of transit

1 buses.

2 (b) Cooperation between entities using transit, including
3 school districts, cities, townships, and counties with a view to
4 promoting cost savings through joint purchasing of fuel and other
5 procurements.

6 (c) Coordination of transportation dollars among state
7 departments which provide transit-related services, including the
8 department of health and human services. Priority should be given
9 to use of public transportation services where available.

10 (d) Promotion of intelligent transportation services for buses
11 that incorporate computer and navigation technology to make transit
12 systems more efficient, including stoplight coordinating, vehicle
13 tracking, data tracking, and computerized scheduling.

14 (2) The department shall report on efforts taken to implement
15 this section as well as section 393 of article XVII of 2011 PA 63.
16 The department shall complete and submit the report to the state
17 budget director, the house and senate appropriations subcommittees
18 on transportation, and the house and senate fiscal agencies on or
19 before March 1, 2018.

20 Sec. 394. The department and local road agencies shall make
21 the preservation of their existing road networks a funding
22 priority.

23 Sec. 395. From the funds appropriated in part 1 for state
24 trunkline federal aid road and bridge construction, the department
25 may expend up to \$10,000,000.00 on highway maintenance activities
26 to support safety-related, high-priority, and other deferred
27 routine maintenance needs on Michigan's state trunkline network.

FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the

1 respective funds and shall be allocated to the respective programs
2 based on actual interest earned at the end of each fiscal year.

3 (3) In addition to the funds appropriated in part 1, the
4 department of transportation economic development fund and local
5 bridge fund may receive federal, local, or private funds or
6 restricted source funds such as interest earnings. These funds are
7 appropriated for projects that are consistent with the purposes of
8 the respective funds.

9 (4) None of the funds statutorily dedicated to the
10 transportation economic development fund and local bridge fund
11 shall be diverted to other projects.

12 Sec. 504. Funds from the Michigan transportation fund shall be
13 distributed to the comprehensive transportation fund, the economic
14 development fund, the recreation improvement fund, and the state
15 trunkline fund, in accordance with this part and part 1 and part
16 711 of the natural resources and environmental protection act, 1994
17 PA 451, MCL 324.71101 to 324.71108, and may only be used as
18 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
19 247.675, and part 711 of the natural resources and environmental
20 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

21 **STATE TRUNKLINE FUND**

22 Sec. 601. The department shall maintain documentation to
23 support initial acceptance of warrantied projects, interim and
24 final inspections, and notifications to contractors that the
25 warranty period had expired. The department also shall review and
26 evaluate consultant evaluation requirements or recommendations and

1 update existing policies and procedures accordingly.

2 Sec. 604. At the close of the fiscal year, any unencumbered
3 and unexpended balance in the state trunkline fund shall remain in
4 the state trunkline fund and shall carry forward and is
5 appropriated for federal aid road and bridge programs for projects
6 contained in the annual state transportation program.

7 Sec. 605. (1) From the increased funds appropriated in part 1
8 for highway maintenance, the department shall expand highway
9 maintenance activities in the current fiscal year to support
10 flooding mitigation-related activities on limited access state
11 trunklines in Wayne, Oakland, and Macomb Counties, as well as other
12 safety-related, high-priority, and deferred routine maintenance
13 needs on Michigan's state trunkline network.

14 (2) The department shall identify specific outcomes and
15 performance measures, including, but not limited to, the following:

16 (a) Number of drainage catch basins cleaned on limited-access
17 state trunklines in Wayne, Oakland, and Macomb Counties during the
18 fiscal year ending September 30, 2018.

19 (b) Number of flooding-related closures on limited-access
20 state trunklines in Wayne, Oakland, and Macomb Counties during the
21 fiscal year ending September 30, 2018.

22 Sec. 612. The department shall establish guidelines governing
23 incentives and disincentives provided under contracts for state
24 trunkline projects. The guidelines shall include specific financial
25 information concerning incentives and disincentives. On or before
26 January 1 of each year, the department shall prepare a report for
27 the immediately preceding fiscal year regarding contract incentives

1 and disincentives. This report shall include a list, by project, of
2 the contractors that received contract incentives and/or
3 disincentives, the amount of the incentives and/or disincentives,
4 the fund source of any incentives, and the number of days that each
5 project was completed either ahead or past the contracted
6 completion date. This report shall be provided to the senate and
7 house appropriations subcommittees on transportation, the senate
8 and house standing committees on transportation, and the senate and
9 house fiscal agencies.

10 Sec. 613. (1) On or before February 1 of each year, the
11 department shall prepare a report on all capital federal aid
12 participating construction projects completed in the prior fiscal
13 year. The report shall include the following information:

14 (a) Location of the project.

15 (b) General description of the project.

16 (c) As-bid cost of the project.

17 (d) As-built cost of the project.

18 (e) Estimated completion date.

19 (f) Actual completion date.

20 (g) Whether design engineering was performed by department
21 staff or contract engineering consultants.

22 (h) Design engineering costs.

23 (i) Whether construction engineering was performed by
24 department staff or contract engineering consultants.

25 (j) Construction engineering costs.

26 (2) The report shall include a discussion of design
27 engineering and construction engineering costs as a proportion of

1 total project costs and in comparison with other state
2 transportation agencies. The report shall also include a discussion
3 of relative efficiency and effectiveness of work performed by
4 department staff and work performed by contract engineering
5 consultants.

6 (3) The report described in this section shall be provided to
7 the senate and house appropriations subcommittees on
8 transportation, the senate and house standing committees on
9 transportation, and the senate and house fiscal agencies.

10 Sec. 660. (1) The legislature encourages the department to
11 examine the use of alternative road surface materials, including
12 recycled materials, and to develop criteria and specifications for
13 their use in both department-managed and contracted projects.

14 (2) The department shall report on efforts taken to implement
15 this section. The report shall include descriptions of specific
16 materials evaluated, evaluation methods, and results of specific
17 field or laboratory tests. The department shall complete and submit
18 the report to the state budget director, the house and senate
19 appropriations subcommittees on transportation, and the house and
20 senate fiscal agencies on or before March 1 of each year.

21 **TRANSIT AND RAIL RELATED FUNDS**

22 Sec. 701. The department shall establish an intercity bus
23 equipment and facility fund as a subsidiary fund within the
24 comprehensive transportation fund created under section 10b of 1951
25 PA 51, MCL 247.660b. Proceeds received by this state from the sale
26 of state-owned intercity bus equipment shall be credited to the

1 intercity bus equipment and facility fund for the purchase and
2 repair of intercity bus equipment, as appropriated. Security
3 deposits not returned to a lessee of state-owned intercity bus
4 equipment under terms of the lease agreement shall be credited to
5 the intercity bus equipment and facility fund for the repair of
6 intercity bus equipment, as appropriated. Money received by the
7 department from lease payments for state-owned intercity bus
8 equipment, and facility maintenance charges under terms of leases
9 of state-owned intercity facilities, shall be credited to the
10 intercity bus equipment and facility fund for the purchase and
11 repair of intercity bus equipment or for the maintenance and
12 rehabilitation of state-owned intercity facilities, as
13 appropriated. At the close of the fiscal year, any funds remaining
14 in the intercity bus equipment and facility fund shall remain in
15 the fund and be carried forward into the succeeding fiscal year.

16 Sec. 702. Money that is received by this state as repayment
17 for loans made for rail or water freight capital projects, and as a
18 result of the sale of property or equipment used or projected to be
19 used for rail or water freight projects shall be deposited in the
20 rail freight fund created by section 17 of the state transportation
21 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
22 the fiscal year, any funds remaining in the rail freight fund shall
23 remain in the fund and be carried forward into the succeeding
24 fiscal year.

25 Sec. 703. After receiving notification from a railroad company
26 pursuant to section 8 of the state transportation preservation act
27 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately

1 notify the house of representatives and senate appropriations
2 subcommittees on transportation and the state budget office that
3 the railroad company has filed with the appropriate governmental
4 agencies for abandonment of a line.

5 Sec. 704. From the funds appropriated in part 1, the
6 department shall prepare and transmit a report that provides detail
7 regarding the department's obligations for programs funded under
8 the appropriation in part 1 for rail operations and infrastructure.
9 The report shall include a breakdown of the appropriation by
10 program, year-to-date obligations under each program itemized by
11 project, and an estimate of future obligations under each program
12 itemized by project for the remainder of the fiscal year. The
13 initial report shall be submitted to the senate and house
14 appropriations subcommittees on transportation, and the senate and
15 house fiscal agencies, on or before February 1, 2018. The
16 department also shall update and resubmit the final report on or
17 before November 1, 2018.

18 Sec. 706. The Detroit/Wayne County Port Authority shall issue
19 a complete operations assessment and a financial disclosure
20 statement. The operations assessment shall include operational
21 goals for the next 5 years and recommendations to improve land
22 acquisition and development efficiency. The report shall be
23 completed and submitted to the house of representatives and senate
24 appropriations subcommittees on transportation, the state budget
25 director, and the house and senate fiscal agencies by June 30 of
26 each fiscal year for the prior fiscal year.

27 Sec. 711. (1) As prescribed in subsection (2), the department

1 shall submit reports to the state budget director, the house and
2 senate appropriations subcommittees on transportation, and the
3 house and senate fiscal agencies on rail passenger service provided
4 by Amtrak under a contractual agreement with the department. The
5 report shall be submitted on or before May 1 of each year.

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

7 (a) Passenger counts for the preceding fiscal year for each
8 Amtrak service route in Michigan.

9 (b) Revenue and operating expenses by Amtrak route.

10 (c) Total state operating payments to Amtrak in the preceding
11 fiscal year by Amtrak route.

12 (d) A discussion of major factors affecting route costs and
13 revenue and net state costs in the preceding fiscal year, and
14 factors affecting route costs and revenue and net state costs
15 anticipated in the current and future fiscal years.

16 (e) Fare revenue by route and fare revenue as a percentage of
17 route operating expense.

18 Sec. 712. The part 1 appropriation for rail freight economic
19 development shall be used for projects related to the preservation
20 and enhancement of state-owned rail property or for rail freight
21 economic development projects. As used in this section, "state-
22 owned rail property" and "rail freight economic development
23 projects" do not include projects on the state-owned rail line
24 between Dearborn, Michigan and Kalamazoo, Michigan or projects
25 related to the Detroit-Chicago high-speed rail corridor.

26 Sec. 735. For the fiscal year ending September 30, 2017, the
27 appropriation to a street railway pursuant to section 10e(22) of

1 1951 PA 51, MCL 247.660e, is \$0.

2 **AERONAUTICS FUND**

3 Sec. 801. Except as otherwise provided in section 903 for
4 capital outlay, at the close of the fiscal year, any unobligated
5 and unexpended balance in the state aeronautics fund created in the
6 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
7 to 259.208, shall lapse to the state aeronautics fund and be
8 appropriated by the legislature in the immediately succeeding
9 fiscal year.

10 Sec. 802. The legislature encourages the department to find
11 private entities or local public agencies to assume ownership and
12 operating responsibility for airports currently owned by the
13 department.

14 Sec. 803. Within the fiscal year ending September 30, 2018,
15 the department shall sell 1 of 2 Beechcraft King Air Twin Engine
16 Turbo Prop airplanes and 1 of 2 Beechcraft Baron airplanes.
17 Proceeds from the sales shall be credited to the state aeronautics
18 fund.

19 **CAPITAL OUTLAY**

20 Sec. 901. (1) From federal-state-local project appropriations
21 contained in part 1 for the purpose of assisting political entities
22 and subdivisions of this state in the construction and improvement
23 of publicly used airports and landing fields within this state, the
24 state transportation department may permit the award of contracts
25 on behalf of units of local government for the authorized locations

1 not to exceed the indicated amounts, of which the state allocated
2 portion shall not exceed the amount appropriated in part 1.

3 (2) Political entities and subdivisions shall provide not less
4 than 5% of the cost of any project under this section, unless a
5 total nonfederal share greater than 10% is otherwise specified in
6 federal law. State money shall not be allocated until local money
7 is allocated. State money for any 1 project shall not exceed 1/3 of
8 the total appropriation in part 1 from state funds for airport
9 improvement programs.

10 (3) The Michigan aeronautics commission may take those steps
11 necessary to match federal money available for airport construction
12 and improvement within this state and to meet the matching
13 requirements of the federal government. Whether acting alone or
14 jointly with another political subdivision or public agency or with
15 this state, a political subdivision or public agency of this state
16 shall not submit to any agency of the federal government a project
17 application for airport planning or development unless it is
18 authorized in this part and part 1 and the project application is
19 approved by the governing body of each political subdivision or
20 public agency making the application and by the Michigan
21 aeronautics commission.

22 Sec. 903. 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.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, 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 2018 consensus revenue estimating conference.