

No. 63
STATE OF MICHIGAN
Journal of the Senate
102nd Legislature
REGULAR SESSION OF 2023

Senate Chamber, Lansing, Wednesday, June 28, 2023.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor Garlin D. Gilchrist II.

The roll was called by the Secretary of the Senate, who announced that a quorum was present.

Albert—present
Anthony—present
Bayer—present
Bellino—present
Brinks—present
Bumstead—present
Camilleri—present
Cavanagh—present
Chang—present
Cherry—present
Daley—present
Damoose—present
Geiss—present

Hauck—present
Hertel—present
Hoitenga—present
Huizenga—present
Irwin—present
Johnson—present
Klinefelt—present
Lauwers—excused
Lindsey—present
McBroom—present
McCann—present
McDonald Rivet—present
McMorrow—present

Moss—present
Nesbitt—present
Outman—present
Polehanki—present
Runestad—present
Santana—present
Shink—present
Singh—present
Theis—present
Victory—present
Webber—present
Wojno—present

Senator Jeremy Moss of the 7th District offered the following invocation:

After the flood, God promised Noah that He would never again bring a flood that would destroy the world. A rainbow is a reminder of this covenant that God made with Noah, his descendants, and all living creatures.
 בָּרוּךְ אַתָּה ה' אֱלֹהֵינוּ מֶלֶךְ הָעוֹלָם זֹכֵר הַבְּרִית וְנֹאֲמָן בְּבְרִיתוֹ וְקָיָם בְּנֶאֱמָרוֹ
 Baruch ata Ado-nai Elo-heinu melech ha'olam zocher ha'brit v'ne'eman bivrito v'kayam b'ma'amaro.
 Blessed are You, Lord our God, King of the universe, who remembers the covenant, and is faithful to His covenant, and keeps His promise. Amen.

The President, Lieutenant Governor Gilchrist, led the members of the Senate in recital of the *Pledge of Allegiance*.

Senator Brinks entered the Senate Chamber.

Motions and Communications

Senator Theis moved that Senators Hoitenga and McBroom be temporarily excused from today's session. The motion prevailed.

Senator Theis moved that Senator Lauwers be excused from today's session. The motion prevailed.

Senator Singh moved that Senator Anthony be temporarily excused from today's session. The motion prevailed.

By unanimous consent the Senate proceeded to the order of
General Orders

Senator Anthony entered the Senate Chamber.

Senator Singh moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President, Lieutenant Governor Gilchrist, designated Senator Irwin as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Gilchrist, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

Senate Bill No. 148, entitled

A bill to amend 1969 PA 224, entitled "An act to license and regulate dealers in and research facilities using dogs and cats for research purposes; and to repeal certain acts and parts of acts," by amending section 12 (MCL 287.392) and by adding sections 11a and 12a.

Senate Bill No. 149, entitled

A bill to amend 1969 PA 224, entitled "An act to license and regulate dealers in and research facilities using dogs and cats for research purposes; and to repeal certain acts and parts of acts," by amending the title and sections 1 and 7 (MCL 287.381 and 287.387) and by adding section 8a.

The bills were placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

Senate Bill No. 176, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

Substitute (S-3).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

Senate Bill No. 330, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” (MCL 211.1 to 211.155) by adding section 7c.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

Senate Bill No. 364, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 53b (MCL 211.53b), as amended by 2022 PA 141.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

During the Committee of the Whole, Senator Hoitenga entered the Senate Chamber.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Singh moved that the rules be suspended and that the following bills, now on Third Reading of Bills, be placed on their immediate passage:

Senate Bill No. 148

Senate Bill No. 149

Senate Bill No. 176

Senate Bill No. 330

Senate Bill No. 364

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate proceeded to the order of

Introduction and Referral of Bills

Senators Santana, Chang, Bayer, Wojno, Shink and Geiss introduced

Senate Bill No. 418, entitled

A bill to amend 1939 PA 280, entitled “The social welfare act,” by amending section 117a (MCL 400.117a), as amended by 2019 PA 114.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Santana, Chang, Bayer, Wojno, Shink and Geiss introduced

Senate Bill No. 419, entitled

A bill to amend 1988 PA 13, entitled “Juvenile diversion act,” by amending sections 2, 3, 6, and 9 (MCL 722.822, 722.823, 722.826, and 722.829), section 2 as amended by 2019 PA 101 and section 6 as amended by 1996 PA 137.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Irwin, Chang, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 420, entitled

A bill to amend 1988 PA 13, entitled “Juvenile diversion act,” by amending sections 5 and 6 (MCL 722.825 and 722.826), as amended by 1996 PA 137.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Klinefelt, Irwin, Chang, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 421, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending section 18 of chapter XIAA (MCL 712A.18), as amended by 2022 PA 209.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators McDonald Rivet, Wojno, Irwin, Chang, Bayer, Shink, Geiss and Santana introduced

Senate Bill No. 422, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending section 2f of chapter XIAA (MCL 712A.2f), as added by 2016 PA 185.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Victory, Chang, Wojno, Bayer, Shink, Geiss and Santana introduced

Senate Bill No. 423, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending sections 15 and 16 of chapter XIAA (MCL 712A.15 and 712A.16), section 15 as amended by 2020 PA 389 and section 16 as amended by 2019 PA 102.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Shink, Bayer, Irwin, Chang, Wojno, Geiss and Santana introduced

Senate Bill No. 424, entitled

A bill to amend 2013 PA 93, entitled “Michigan indigent defense commission act,” by amending the title and sections 3, 5, 7, 9, 11, 13, 15, 17, 21, and 23 (MCL 780.983, 780.985, 780.987, 780.989, 780.991, 780.993, 780.995, 780.997, 780.1001, and 780.1003), section 3 as amended by 2019 PA 108, sections 5, 9, 11, 13, 15, and 17 as amended by 2018 PA 214, and section 7 as amended by 2018 PA 443.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Shink, Irwin, Chang, Bayer, Wojno, Geiss and Santana introduced

Senate Bill No. 425, entitled

A bill to amend 1978 PA 620, entitled “Appellate defender act,” by amending the title and sections 2, 4, 6, and 7 (MCL 780.712, 780.714, 780.716, and 780.717) and by adding sections 1a and 8a.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Wojno, Chang, Bayer, Shink, Geiss and Santana introduced

Senate Bill No. 426, entitled

A bill to amend 1939 PA 280, entitled “The social welfare act,” (MCL 400.1 to 400.119b) by adding section 117k.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators McMorro, Irwin, Chang, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 427, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending sections 2d, 2f, and 4 of chapter XIAA (MCL 712A.2d, 712A.2f, and 712A.4), section 2d as amended by 2020 PA 389, section 2f as added by 2016 PA 185, and section 4 as amended by 1996 PA 409.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Chang, Santana, Irwin, Bayer, Shink, Wojno and Geiss introduced

Senate Bill No. 428, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending sections 2f, 18, 28, and 29 (MCL 712A.2f, 712A.18, 712A.28, and 712A.29), section 2f as added by 2016 PA 185, section 18 as amended by 2022 PA 209, section 28 as amended by 2020 PA 362, and section 29 as amended by 2003 PA 74, and by adding section 29a to chapter XIIA; and to repeal acts and parts of acts.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Irwin, Chang, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 429, entitled

A bill to amend 1990 PA 236, entitled “DNA identification profiling system act,” by amending section 6 (MCL 28.176), as amended by 2018 PA 310.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Geiss, Chang, Irwin, Bayer, Shink, Wojno and Santana introduced

Senate Bill No. 430, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending section 4803 (MCL 600.4803), as amended by 1996 PA 374.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Moss, Santana, Chang, Irwin, Wojno, Bayer, Shink and Geiss introduced

Senate Bill No. 431, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 1 of chapter IX (MCL 769.1), as amended by 1999 PA 87.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Victory, Santana, Irwin, Wojno, Bayer, Shink and Geiss introduced

Senate Bill No. 432, entitled

A bill to amend 1994 PA 204, entitled “The children’s ombudsman act,” by amending the title and sections 1, 2, 3, 4, 5, 5a, 6, 7, 8, 9, 10, 11, and 12 (MCL 722.921, 722.922, 722.923, 722.924, 722.925, 722.925a, 722.926, 722.927, 722.928, 722.929, 722.930, 722.931, and 722.932), the title and sections 3, 5, and 11 as amended by 2004 PA 560, sections 2 and 6 as amended by 2020 PA 186, sections 4 and 10 as amended by 2014 PA 243, section 5a as amended by 2014 PA 455, sections 7 and 8 as amended by 2013 PA 38, and section 9 as amended by 2020 PA 185.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Johnson, Irwin, Wojno, Bayer, Victory, Shink, Geiss and Santana introduced

Senate Bill No. 433, entitled

A bill to amend 1939 PA 280, entitled “The social welfare act,” by amending section 115m (MCL 400.115m), as amended by 2014 PA 308.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators McCann, Chang, Irwin, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 434, entitled

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending sections 67 and 68 of chapter X and section 19b of chapter XIIA (MCL 710.67, 710.68, and 712A.19b), section 67 of chapter X as amended by 1994 PA 373, section 68 of chapter X as amended by 2012 PA 385, and section 19b of chapter XIIA as amended by 2018 PA 58.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Polehanki, Chang, Irwin, Bayer, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 435, entitled

A bill to amend 1973 PA 116, entitled “An act to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts,” by amending sections 5a and 10 (MCL 722.115a and 722.120), section 5a as added by 1994 PA 205 and section 10 as amended by 2022 PA 69.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Damoose, Chang, Irwin, Victory and Santana introduced

Senate Bill No. 436, entitled

A bill to amend 1975 PA 238, entitled “Child protection law,” by amending sections 7, 7b, and 7k (MCL 722.627, 722.627b, and 722.627k), section 7 as amended by 2022 PA 68, section 7b as amended by 2011 PA 89, and section 7k as added by 2011 PA 67.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Chang, Bayer, Irwin, Shink, Wojno, Geiss and Santana introduced

Senate Bill No. 437, entitled

A bill to amend 1994 PA 203, entitled “Foster care and adoption services act,” by amending sections 5, 8a, 8b, and 8d (MCL 722.955, 722.958a, 722.958b, and 722.958d), section 8a as added by 2014 PA 524, section 8b as added by 2018 PA 489, and section 8d as added by 2018 PA 632.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Senators Polehanki, Geiss, Wojno, Klinefelt and Moss introduced

Senate Bill No. 438, entitled

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” by amending sections 701 and 703 (MCL 206.701 and 206.703), section 701 as amended by 2022 PA 148 and section 703 as amended by 2016 PA 158, and by adding sections 285 and 677.

The bill was read a first and second time by title and referred to the Committee on Economic and Community Development.

Senators Polehanki, Geiss, Wojno, Klinefelt and Moss introduced

Senate Bill No. 439, entitled

A bill to amend 1984 PA 270, entitled “Michigan strategic fund act,” by amending sections 29, 29a, 29b, and 29d (MCL 125.2029, 125.2029a, 125.2029b, and 125.2029d), sections 29 and 29b as added by 2008 PA 75, section 29a as amended by 2011 PA 291, and section 29d as amended by 2020 PA 199; and to repeal acts and parts of acts.

The bill was read a first and second time by title and referred to the Committee on Economic and Community Development.

House Bill No. 4082, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” (MCL 250.1001 to 250.2092) by adding section 23b.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Labor.

House Bill No. 4352, entitled

A bill to amend 1949 PA 300, entitled “Michigan vehicle code,” by amending section 642 (MCL 257.642), as amended by 2022 PA 179.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Transportation and Infrastructure.

House Bill No. 4353, entitled

A bill to amend 1951 PA 51, entitled “An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; to investigate and study the tolling of roads, streets, highways, or bridges; and to repeal acts and parts of acts,” by amending section 1 (MCL 247.651), as amended by 2012 PA 390.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Transportation and Infrastructure.

House Bill No. 4520, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending sections 81 and 81a (MCL 750.81 and 750.81a), section 81 as amended by 2016 PA 87 and section 81a as amended by 2012 PA 366.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

House Bill No. 4521, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending section 82 (MCL 750.82), as amended by 1994 PA 158.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

House Bill No. 4569, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending sections 495, 509o, 509q, 509r, 509gg, and 516 (MCL 168.495, 168.509o, 168.509q, 168.509r, 168.509gg, and 168.516), section 495

as amended by 2018 PA 603, section 509o as amended by 2022 PA 195, section 509q as amended by 2020 PA 302, sections 509r and 516 as amended by 2018 PA 125, and section 509gg as amended by 2014 PA 94, and by adding section 496a.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Elections and Ethics.

House Bill No. 4602, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” (MCL 250.1001 to 250.2092) by adding section 18c.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Veterans and Emergency Services.

House Bill No. 4644, entitled

A bill to adopt the uniform power of attorney act; and to repeal acts and parts of acts.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

House Bill No. 4645, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending section 20101b (MCL 324.20101b), as amended by 2000 PA 368.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

House Bill No. 4646, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” by amending sections 10121 and 10301 (MCL 333.10121 and 333.10301), section 10121 as added by 2008 PA 39 and section 10301 as added by 2012 PA 179.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Civil Rights, Judiciary, and Public Safety.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 10:23 a.m.

11:41 a.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

During the recess, Senator McBroom entered the Senate Chamber.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

The following bill was read a third time:

House Bill No. 4084, entitled

A bill to amend 2014 PA 92, entitled “State essential services assessment act,” (MCL 211.1051 to 211.1061) by adding section 7a.

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 417

Yeas—37

Albert	Daley	Klinefelt	Polehanki
Anthony	Damoose	Lindsey	Runestad
Bayer	Geiss	McBroom	Santana
Bellino	Hauck	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Bumstead	Hoitenga	McMorrow	Theis
Camilleri	Huizenga	Moss	Victory
Cavanagh	Irwin	Nesbitt	Webber
Chang	Johnson	Outman	Wojno
Cherry			

Nays—0

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.
Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:
“An act to levy a specific tax on certain personal property; to provide for the administration, collection, and distribution of the specific tax; to provide for an exemption from that specific tax; to impose certain duties on persons and certain state departments; to impose penalties; and to repeal acts and parts of acts,”
The Senate agreed to the full title.

The following bill was read a third time:

House Bill No. 4317, entitled

A bill to provide for the establishment of solar energy districts in certain local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax on the owners or lessees of certain qualified facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; and to prescribe the powers and duties of certain state and local governmental officials.
The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 418

Yeas—27

Anthony	Daley	Klinefelt	Polehanki
Bayer	Damoose	McCann	Santana

Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hauck	McMorrow	Singh
Cavanagh	Hertel	Moss	Webber
Chang	Huizenga	Nesbitt	Wojno
Cherry	Irwin	Outman	

Nays—10

Albert	Hoitenga	McBroom	Theis
Bellino	Johnson	Runestad	Victory
Bumstead	Lindsey		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.
The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 4318, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending sections 9 and 9f (MCL 211.9 and 211.9f), section 9 as amended by 2011 PA 290 and section 9f as amended by 2017 PA 261.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 419

Yeas—27

Anthony	Daley	Klinefelt	Polehanki
Bayer	Damoose	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hauck	McMorrow	Singh
Cavanagh	Hertel	Moss	Webber
Chang	Huizenga	Nesbitt	Wojno
Cherry	Irwin	Outman	

Nays—10

Albert	Hoitenga	McBroom	Theis
Bellino	Johnson	Runestad	Victory
Bumstead	Lindsey		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.
Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,”

The Senate agreed to the full title.

Senator Singh moved that the Senate proceed to consideration of the following bills:

Senate Bill No. 176

Senate Bill No. 330

Senate Bill No. 364

The motion prevailed.

The following bill was read a third time:

Senate Bill No. 176, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 420

Yeas—37

Albert	Daley	Klinefelt	Polehanki
Anthony	Damoose	Lindsey	Runestad
Bayer	Geiss	McBroom	Santana
Bellino	Hauck	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Bumstead	Hoitenga	McMorrow	Theis
Camilleri	Huizenga	Moss	Victory
Cavanagh	Irwin	Nesbitt	Webber
Chang	Johnson	Outman	Wojno
Cherry			

Nays—0

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 330, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” (MCL 211.1 to 211.155) by adding section 7c.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 421

Yeas—37

Albert	Daley	Klinefelt	Polehanki
Anthony	Damoose	Lindsey	Runestad
Bayer	Geiss	McBroom	Santana
Bellino	Hauck	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Bumstead	Hoitenga	McMorrow	Theis
Camilleri	Huizenga	Moss	Victory
Cavanagh	Irwin	Nesbitt	Webber
Chang	Johnson	Outman	Wojno
Cherry			

Nays—0

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

Senate Bill No. 364, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 53b (MCL 211.53b), as amended by 2022 PA 141.

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 422

Yeas—37

Albert	Daley	Klinefelt	Polehanki
Anthony	Damoose	Lindsey	Runestad
Bayer	Geiss	McBroom	Santana
Bellino	Hauck	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Bumstead	Hoitenga	McMorrow	Theis
Camilleri	Huizenga	Moss	Victory
Cavanagh	Irwin	Nesbitt	Webber
Chang	Johnson	Outman	Wojno
Cherry			

Nays—0

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Singh moved that rule 2.106 be suspended to allow committees to meet during Senate session.
The motion prevailed, a majority of the members serving voting therefor.

Recess

Senator Singh moved that the Senate recess until 1:30 p.m.
The motion prevailed, the time being 11:52 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the President, Lieutenant Governor Gilchrist.

The following communication was received and read:
Office of the Auditor General

June 27, 2023

Enclosed is a copy of the following report:

- Performance audit report on Fingerprinting and Criminal Conviction Monitoring of Public School Contracted Staff, Michigan Department of Education (313-0640-21).

Sincerely,
Doug Ringler
Auditor General

The audit report was referred to the Committee on Oversight.

Messages from the House

The House of Representatives returned, in accordance with the request of the Senate

House Bill No. 4294, entitled

A bill to amend 1887 PA 128, entitled “An act establishing the minimum ages for contracting marriages; to require a civil license in order to marry and its registration; to provide for the implementation of federal law; and to provide a penalty for the violation of this act,” by amending section 3 (MCL 551.103), as amended by 2006 PA 578.

The bill was placed on the order of Third Reading of Bills.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 1:31 p.m.

2:24 p.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

By unanimous consent the Senate returned to the order of

Motions and Communications

The following communication was received:

Office of Senator Kevin Hertel

June 28, 2023

I am writing to respectfully request that I be added as a co-sponsor to Senate Bills 406 and 407, sponsored by Senator Anthony. If you have any questions or concerns, please do not hesitate to contact me by email at SenKHertel@senate.michigan.gov or by phone at 517-373-7315.

Sincerely,
Senator Kevin Hertel
District 12

The communication was referred to the Secretary for record.

The following communication was received:

Office of Senator Roger Victory

June 28, 2023

Please add my name to co-sponsor SB 446.

Roger Victory

The communication was referred to the Secretary for record.

The following communication was received:

Office of Senator Michael Webber

June 28, 2023

Please remove me from sponsoring SB 446.

Michael Webber

The communication was referred to the Secretary for record.

The following communications were received:

Office of Senator Paul Wojno

June 28, 2023

Per Senate Rule 1.110(c), I am requesting that my name be added as a co-sponsor to Senate Bills 401, 402, and 403 which were introduced on June 22, 2023.

June 28, 2023

Per Senate Rule 1.110(c), I am requesting that my name be added as a co-sponsor to Senate Bill 436, which was introduced on June 28, 2023.

June 28, 2023

I am writing to respectfully request that my name be removed as a co-sponsor to Senate Bill 446, sponsored by Senator Webber.

Warmest regards,
Paul Wojno
State Senator
10th District

The communications were referred to the Secretary for record.

Senator Singh moved that the Committee on Transportation and Infrastructure be discharged from further consideration of the following bill:

House Bill No. 4689, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” by amending section 67 (MCL 250.1067), as added by 2003 PA 195.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Singh moved that the Committee on Education be discharged from further consideration of the following bill:

House Bill No. 4820, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” by amending section 1248 (MCL 380.1248), as added by 2011 PA 102.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Singh moved that the rules be suspended and that the following bill, now on Committee Reports, be placed on the General Orders calendar for consideration today:

Senate Bill No. 281

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
General Orders

Senator Singh moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President, Lieutenant Governor Gilchrist, designated Senator Irwin as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Gilchrist, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bill:

House Bill No. 4689, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” by amending section 67 (MCL 250.1067), as added by 2003 PA 195.

The bill was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

Senate Bill No. 281, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 2094.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Singh moved that the rules be suspended and that the following bills, now on Third Reading of Bills, be placed on their immediate passage:

House Bill No. 4689

Senate Bill No. 281

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
Third Reading of Bills

Senator Singh moved that the Senate proceed to consideration of the following bills:

House Bill No. 4689

Senate Bill No. 148

Senate Bill No. 149

Senate Bill No. 281

The motion prevailed.

The following bill was read a third time:

House Bill No. 4689, entitled

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” by amending section 67 (MCL 250.1067), as added by 2003 PA 195.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 423

Yeas—37

Albert	Daley	Klinefelt	Polehanki
Anthony	Damoose	Lindsey	Runestad
Bayer	Geiss	McBroom	Santana
Bellino	Hauck	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Bumstead	Hoitenga	McMorrow	Theis
Camilleri	Huizenga	Moss	Victory
Cavanagh	Irwin	Nesbitt	Webber
Chang	Johnson	Outman	Wojno
Cherry			

Nays—0

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to consolidate prior acts naming certain Michigan highways; to provide for the naming of certain highways; to prescribe certain duties of the state transportation department; and to repeal acts and parts of acts and certain resolutions,”

The Senate agreed to the full title.

The following bill was read a third time:

Senate Bill No. 148, entitled

A bill to amend 1969 PA 224, entitled “An act to license and regulate dealers in and research facilities using dogs and cats for research purposes; and to repeal certain acts and parts of acts,” by amending section 12 (MCL 287.392) and by adding sections 11a and 12a.

The question being on the passage of the bill,

Senator Polehanki offered the following substitute:

Substitute (S-1).

The question being on the adoption of the substitute,

Senator Daley offered the following amendments to the substitute:

1. Amend page 2, line 15, after “**than**” by striking out “**\$3,000.00.**” and inserting “**\$1,000.00.**”.
2. Amend page 2, line 17, after “**than**” by striking out “**\$6,000.00.**” and inserting “**\$2,000.00.**”.
3. Amend page 2, line 21, by striking out “**\$9,000.00.**” and inserting “**\$3,000.00.**”.
4. Amend page 2, line 25, by striking out “**\$15,000.00.**” and inserting “**\$5,000.00.**”.
5. Amend page 2, line 28, after “**than**” by striking out “**\$30,000.00.**” and inserting “**\$10,000.00.**”.

The amendments to the substitute were adopted.

Senator Victory offered the following amendments to the substitute:

1. Amend page 1, line 1, after “**11a.**” by inserting “**(1)**”.

2. Amend page 2, following line 6, by inserting:

“(2) **The department shall use the information provided on a report submitted under subsection (1) for purposes of determining compliance under section 8a and shall not make any information provided on the report available on the department’s website.**”.

The amendments to the substitute were adopted.

Senator Nesbitt offered the following amendment to the substitute:

1. Amend page 2, line 4, after “**facility**” by inserting a period and striking out the balance of the section.
- The amendment to the substitute was adopted.

Senator Nesbitt offered the following amendments to the substitute:

1. Amend page 1, line 2, by striking out “**laboratory animals**” and inserting “**dogs or cats**”.
2. Amend page 1, line 5, after “**of**” by striking out “**laboratory animals**” and inserting “**dogs and cats**”.
3. Amend page 2, line 1, after “**of**” by striking out “**laboratory animals**” and inserting “**dogs and cats**”.
4. Amend page 2, line 3, after “**of**” by striking out “**laboratory animals**” and inserting “**dogs and cats**”.
5. Amend page 2, line 5, after “**a**” by striking out “**laboratory animal**” and inserting “**dog or cat**”.
6. Amend page 2, line 14, after “**1**” by striking out “**laboratory animal,**” and inserting “**dog or cat,**”.
7. Amend page 2, line 16, after “**3**” by striking out “**laboratory animals,**” and inserting “**dogs or cats,**”.
8. Amend page 2, line 18, after “**more**” by striking out “**laboratory animals**” and inserting “**dogs or cats**”.
9. Amend page 2, line 19, after “**10**” by striking out “**laboratory animals**” and inserting “**dogs or cats**”.
10. Amend page 2, line 22, after “**more**” by striking out “**laboratory animals**” and inserting “**dogs or cats**”.
11. Amend page 2, line 23, after “**25**” by striking out “**laboratory animals**” and inserting “**dogs or cats**”.
12. Amend page 2, line 26, after “**more**” by striking out “**laboratory animals**” and inserting “**dogs or cats**”.

The amendments to the substitute were adopted.

The question being on the adoption of the substitute as amended,

The substitute as amended was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 424

Yeas—27

Anthony
Bayer

Daley
Damoose

Klinefelt
McCann

Santana
Shink

Brinks	Geiss	McDonald Rivet	Singh
Camilleri	Hertel	McMorrow	Victory
Cavanagh	Huizenga	Moss	Webber
Chang	Irwin	Nesbitt	Wojno
Cherry	Johnson	Polehanki	

Nays—10

Albert	Hauck	McBroom	Runestad
Bellino	Hoitenga	Outman	Theis
Bumstead	Lindsey		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Protests

Senators McBroom, Bellino and Lindsey, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 148.

Senator McBroom moved that the statement he made during the discussion of the bill be printed as his reasons for voting “no.”

The motion prevailed.

Senator McBroom’s statement, in which Senators Bellino and Lindsey concurred, is as follows:

Mr. President, there’s no doubt about the emotional appeal of this legislation and about the legitimate compassion we can feel towards animals. The emotional attachments we make with our pets are very real, and I don’t downplay that at all. However, I don’t feel that mandating this program on what is already a very difficult and expensive enterprise of doing testing, and particularly when we look at the work that MSU does for agriculture, is an appropriate expense for the state to mandate on these facilities.

I’m completely okay with making it permissive, and certainly would like to encourage these facilities to do these types of programs whenever possible and feasible, but we are adding to the costs of the medications that we are constantly saying cost us too much. We are adding to other costs and programs and going to make them more difficult to facilitate right here in Michigan. I don’t think that is a wise move for us.

Finally, I think that the program potentially violates article 8, section 9 of the Michigan Constitution, which requires that fines that are assessed and collected be placed into the library fund, because it is absolutely critical that those who are granted the power to penalize not be allowed to profit from that work. So therefore I will be voting “no.”

Senator Polehanki asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Polehanki’s statement is as follows:

We have an opportunity to do a really good thing today and I want to thank my colleague from the 12th District for us working together on saving hundreds of dogs and cats after their time in a research lab. Dogs and cats that are typically perfectly adoptable, but that are typically euthanized after their time in a lab.

Of the roughly 600 dogs that are euthanized every year in Michigan, a good portion of them are beagles. Why beagles? Because they are docile, trusting, and forgiving. Teddy was—is, Teddy is alive—one of 32 beagles rescued from a Michigan lab in 2019 following reports of an undercover investigation. The report revealed that Teddy and dozens of other dogs were being force-fed fungicide every day, up to a year, to test the substance’s toxicity. Thankfully, Teddy and all 32 beagles were adopted into loving homes instead of being euthanized.

These dogs don’t have names, they have tattoos. These dogs have never played on the grass. These dogs have never played with another dog. If you vote “yes” today, all that has to end. Dogs that are able to be adopted after medical research will be required to be adopted by law. I hope you can do this very heartwarming and good thing today by voting “yes.”

The following bill was read a third time:

Senate Bill No. 149, entitled

A bill to amend 1969 PA 224, entitled “An act to license and regulate dealers in and research facilities using dogs and cats for research purposes; and to repeal certain acts and parts of acts,” by amending the title and sections 1 and 7 (MCL 287.381 and 287.387) and by adding section 8a.

The question being on the passage of the bill,
Senator Hertel offered the following substitute:
Substitute (S-1).

The substitute was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 425

Yeas—31

Albert	Daley	Johnson	Santana
Anthony	Damoose	Klinefelt	Shink
Bayer	Geiss	McCann	Singh
Brinks	Hauck	McDonald Rivet	Theis
Camilleri	Hertel	McMorrow	Victory
Cavanagh	Hoitenga	Moss	Webber
Chang	Huizenga	Nesbitt	Wojno
Cherry	Irwin	Polehanki	

Nays—6

Bellino	Lindsey	Outman	Runestad
Bumstead	McBroom		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 2:47 p.m.

4:05 p.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

The following bill was read a third time:

Senate Bill No. 281, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 3406aa.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 426

Yeas—36

Anthony	Daley	Klinefelt	Polehanki
Bayer	Damoose	Lindsey	Runestad
Bellino	Geiss	McBroom	Santana
Brinks	Hauck	McCann	Shink
Bumstead	Hertel	McDonald Rivet	Singh
Camilleri	Hoitenga	McMorrow	Theis
Cavanagh	Huizenga	Moss	Victory
Chang	Irwin	Nesbitt	Webber
Cherry	Johnson	Outman	Wojno

Nays—1

Albert

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Senator Singh moved to reconsider the vote by which the following bill was passed:

House Bill No. 4294, entitled

A bill to amend 1887 PA 128, entitled “An act establishing the minimum ages for contracting marriages; to require a civil license in order to marry and its registration; to provide for the implementation of federal law; and to provide a penalty for the violation of this act,” by amending section 3 (MCL 551.103), as amended by 2006 PA 578.

The motion prevailed, a majority of the members serving voting therefor.
The question being on the passage of the bill,
Senator Anthony offered the following amendment:
1. Amend page 4, line 3, after “**1,500,000**” by striking out “**based on the 2010 federal decennial census**”.
The amendment was adopted, a majority of the members serving voting therefor.
The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 427

Yeas—31

Albert	Chang	Irwin	Polehanki
Anthony	Cherry	Johnson	Santana
Bayer	Daley	Klinefelt	Shink
Bellino	Damoose	McCann	Singh
Brinks	Geiss	McDonald Rivet	Victory
Bumstead	Hauck	McMorrow	Webber
Camilleri	Hertel	Moss	Wojno
Cavanagh	Huizenga	Nesbitt	

Nays—6

Hoitenga	McBroom	Runestad	Theis
Lindsey	Outman		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Singh moved that a respectful message be sent to the House of Representatives requesting the return of the following bills:
House Bill No. 4696
House Bill No. 4084
The motion prevailed.

By unanimous consent the Senate returned to the order of
Messages from the House

Senate Bill No. 14, entitled

A bill to amend 1969 PA 306, entitled “Administrative procedures act of 1969,” by amending sections 32 and 45 (MCL 24.232 and 24.245), as amended by 2018 PA 602.
The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.
The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment, printing and presentation to the Governor.

Senate Bill No. 129, entitled

A bill to amend 1996 PA 381, entitled “Brownfield redevelopment financing act,” by amending the title and sections 2, 8, 8a, 13, 13b, 13c, 14, 14a, 15, and 16 (MCL 125.2652, 125.2658, 125.2658a, 125.2663, 125.2663b, 125.2663c, 125.2664, 125.2664a, 125.2665, and 125.2666), the title as amended by 2003 PA 259, section 2 as amended by 2022 PA 178, sections 8, 13, 13b, 15, and 16 as amended by 2020 PA 259, section 8a as amended by 2017 PA 46, sections 13c and 14a as amended by 2021 PA 138, and section 14 as amended by 2016 PA 471.

The House of Representatives has substituted (H-5) the bill.

The House of Representatives has passed the bill as substituted (H-5), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1996 PA 381, entitled “An act to authorize municipalities to create a brownfield redevelopment authority to facilitate the implementation of brownfield plans; to create brownfield redevelopment zones; to promote the revitalization, redevelopment, and reuse of certain property, including, but not limited to, tax reverted, blighted, or functionally obsolete property; to prescribe the powers and duties of brownfield redevelopment authorities; to permit the issuance of bonds and other evidences of indebtedness by an authority; to authorize the acquisition and disposal of certain property; to authorize certain funds; to prescribe certain powers and duties of certain state officers and agencies; and to authorize and permit the use of certain tax increment financing,” by amending the title and sections 2, 8, 8a, 11, 13, 13b, 13c, 14, 14a, 15, and 16 (MCL 125.2652, 125.2658, 125.2658a, 125.2661, 125.2663, 125.2663b, 125.2663c, 125.2664, 125.2664a, 125.2665, and 125.2666), the title as amended by 2003 PA 259, section 2 as amended by 2022 PA 178, sections 8, 13, 13b, 15, and 16 as amended by 2020 PA 259, sections 8a and 11 as amended by 2017 PA 46, sections 13c and 14a as amended by 2021 PA 138, and section 14 as amended by 2016 PA 471.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Singh moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 428

Yeas—25

Anthony	Damoose	McBroom	Santana
Bayer	Geiss	McCann	Shink
Brinks	Hertel	McDonald Rivet	Singh
Camilleri	Huizenga	McMorrow	Victory
Cavanagh	Irwin	Moss	Webber
Chang	Klinefelt	Polehanki	Wojno
Cherry			

Nays—12

Albert	Daley	Johnson	Outman
Bellino	Hauck	Lindsey	Runestad
Bumstead	Hoitenga	Nesbitt	Theis

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the title as amended.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 130, entitled

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 7gg (MCL 211.7gg), as added by 2003 PA 261.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 131, entitled

A bill to amend 1937 PA 94, entitled “Use tax act,” by amending section 4dd (MCL 205.94dd), as added by 2017 PA 49.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 132, entitled

A bill to amend 1933 PA 167, entitled “General sales tax act,” by amending section 4d (MCL 205.54d), as amended by 2017 PA 48.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 141, entitled

A bill to amend 1998 PA 58, entitled “Michigan liquor control code of 1998,” by amending section 537a (MCL 436.1537a), as amended by 2021 PA 64.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 209, entitled

A bill to amend 1921 PA 352, entitled “An act to prohibit the marriage of a person under 16 years of age and to declare the marriage void,” by amending the title and section 1 (MCL 551.51), as amended by 1983 PA 198.

The House of Representatives has substituted (H-2) the bill.

The House of Representatives has passed the bill as substituted (H-2) and ordered that it be given immediate effect.

Pending the order that, under rule 3.202, the be laid over one day,
Senator Singh moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.
The question being on concurring in the substitute made to the bill by the House,
Senator Runestad offered the following amendment to the House substitute:
1. Amend page 2, following line 6, by inserting:
 “(3) **The age for sexual contact or sexual penetration in this state is 18 years of age.**”.
The amendment was not adopted, a majority of the members serving not voting therefor.
The question being on concurring in the substitute made to the bill by the House,
The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 429

Yeas—36

Albert	Cherry	Johnson	Outman
Anthony	Daley	Klinefelt	Polehanki
Bayer	Damoose	Lindsey	Santana
Bellino	Geiss	McBroom	Shink
Brinks	Hauck	McCann	Singh
Bumstead	Hertel	McDonald Rivet	Theis
Camilleri	Hoitenga	McMorrow	Victory
Cavanagh	Huizenga	Moss	Webber
Chang	Irwin	Nesbitt	Wojno

Nays—0

Excused—1

Lauwers

Not Voting—1

Runestad

In The Chair: President

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senator Runestad asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.
The motion prevailed.
Senator Runestad’s statement is as follows:
I rise to speak to my amendment raising the age for sexual conduct or sexual penetration in the state to the age of 18. Mr. President, I sincerely hope the majority party will support my amendment and not defend or support men having sex with children because if they do, then we will be in the majority for the next 40 years.

Senate Bill No. 212, entitled

A bill to amend 1998 PA 386, entitled “Estates and protected individuals code,” by amending sections 2519, 5103, 5204, 5206, and 5215 (MCL 700.2519, 700.5103, 700.5204, 700.5206, and 700.5215), section 2519 as amended by 2010 PA 325, section 5103 as amended by 2016 PA 483, section 5204 as amended by 2005 PA 204, and section 5215 as amended by 2020 PA 365.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Singh moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.

The question being on concurring in the substitute made to the bill by the House,

The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 430

Yeas—36

Albert	Cherry	Johnson	Outman
Anthony	Daley	Klinefelt	Polehanki
Bayer	Damoose	Lindsey	Santana
Bellino	Geiss	McBroom	Shink
Brinks	Hauck	McCann	Singh
Bumstead	Hertel	McDonald Rivet	Theis
Camilleri	Hoitenga	McMorrow	Victory
Cavanagh	Huizenga	Moss	Webber
Chang	Irwin	Nesbitt	Wojno

Nays—1

Runestad

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 213, entitled

A bill to amend 1968 PA 293, entitled “An act to establish the status of minors; to define the rights and duties of parents; to establish rights and duties to provide support for a child after the child reaches the age of majority under certain circumstances; and to establish the conditions for emancipation of minors,” by amending sections 4 and 4e (MCL 722.4 and 722.4e), section 4 as amended by 1998 PA 509 and section 4e as added by 1988 PA 403.

The House of Representatives has passed the bill and ordered that it be given immediate effect.
Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 216, entitled

A bill to amend 2018 PA 434, entitled “Safe families for children act,” by amending section 5 (MCL 722.1555).

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Senator Singh moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senator Singh moved that the Senate proceed to consideration of the following bill:

Senate Bill No. 339

The motion prevailed.

Senate Bill No. 339, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending section 764c (MCL 168.764c), as amended by 2018 PA 120.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment, printing and presentation to the Governor.

Senate Bill No. 367, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending sections 570, 662, 668b, 674, 736b, 736c, 736d, 736e, 795b, and 797a (MCL 168.570, 168.662, 168.668b, 168.674, 168.736b, 168.736c, 168.736d, 168.736e, 168.795b, and 168.797a), section 570 as amended by 2017 PA 113, section 662 as amended by 2022 PA 219, section 668b as added by 2018 PA 614, section 674 as amended by 2018 PA 120, sections 736b, 736c, 736d, and 736e as amended by 2018 PA 190, section 795b as amended by 1990 PA 109, and section 797a as amended by 1996 PA 583, and by adding sections 8, 720a, 720b, 720c, 720d, 720e, 720f, 720g, 720h, 720i, and 720j.

The House of Representatives has substituted (H-1) the bill.

The House of Representatives has passed the bill as substituted (H-1), ordered that it be given immediate effect and amended the title to read as follows:

A bill to amend 1954 PA 116, entitled “An act to reorganize, consolidate, and add to the election laws; to provide for election officials and prescribe their powers and duties; to prescribe the powers and duties of certain state departments, state agencies, and state and local officials and employees; to provide for the nomination and election of candidates for public office; to provide for the resignation, removal, and recall of certain public officers; to provide for the filling of vacancies in public office; to provide for and regulate primaries and elections; to provide for the purity of elections; to guard against the abuse of the elective franchise; to define violations of this act; to provide appropriations; to prescribe penalties and provide remedies; and to repeal certain acts and all other acts inconsistent with this act,” by amending sections 570, 662, 668b, 674, 736b, 736c, 736d, 736e, 764a, 764b, 764d, 765, 765a, 765b, 768, 769, 795b, 797a, 798b, and 805 (MCL 168.570, 168.662, 168.668b, 168.674, 168.736b, 168.736c, 168.736d, 168.736e, 168.764a, 168.764b, 168.764d, 168.765, 168.765a, 168.765b, 168.768, 168.769, 168.795b, 168.797a, 168.798b, and 168.805), section 570 as amended by 2017 PA 113, section 662 as amended by 2022 PA 219, section 668b as added by 2018 PA 614, sections 674 and 764b as amended by 2018 PA 120, sections 736b, 736c, 736d, and 736e as amended by 2018 PA 190, section 764a as amended by 2023 PA 25, section 764d as added by 2020 PA 95, sections 765 and 765b as amended by 2022 PA 195, section 765a as amended by 2020 PA 177, section 769 as amended by 1995 PA 261, sections 795b and 798b as amended by 1990 PA 109, section 797a as amended by 1996 PA 583, and section 805 as amended by 2000 PA 207, and by adding sections 8, 523b, 720a, 720b, 720c, 720d, 720e, 720f, 720g, 720h, 720i, 720j, 765c, and 768a; and to repeal acts and parts of acts.

Pending the order that, under rule 3.202, the bill be laid over one day,
Senator Singh moved that the rule be suspended.
The motion prevailed, a majority of the members serving voting therefor.
The question being on concurring in the substitute made to the bill by the House,
The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 431

Yeas—23

Anthony	Cherry	McBroom	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Huizenga	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno
Chang	Klinefelt	Nesbitt	

Nays—14

Albert	Damoose	Lindsey	Theis
Bellino	Hauck	Outman	Victory
Bumstead	Hoitenga	Runestad	Webber
Daley	Johnson		

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title as amended.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Protest

Senator Johnson, under her constitutional right of protest (Art. 4, Sec. 18), protested against concurring in the House substitute to Senate Bill No. 367 and moved that the statement she made during the discussion of the substitute be printed as her reasons for voting “no.”
The motion prevailed.
Senator Johnson’s statement is as follows:
I rise to urge my colleagues to vote “no” on concurring in the House substitute to Senate Bill No. 367. The House substitute incorporates the content of Senate Bill No. 387 which would provide for up to eight days for clerks in any municipality with a population of at least 5,000 to open and begin processing absentee ballots before Election Day. I feel it’s unnecessary as very few jurisdictions in our state currently have trouble reporting their results shortly after Election Day has concluded, but this will open up many more opportunities for improprieties in our elections. Opening absentee ballots in hundreds of locations across our state for up to eight days reduces the integrity of our elections. It also limits the ability of candidates, political parties, and interested citizens to have the opportunity for poll watchers and challengers to be present to observe this work in a transparent manner.

Furthermore, the House substitute continues to give the Secretary of State unprecedented power to set procedures for early voting without going through the formal rule-making process. This eliminates very important checks and balances on our state’s elections procedures. This substitute stops transparency in government and allows election rules to be written in secret. This bill if concurred in its current form before this body will eliminate these safeguards—transparency and checks and balances—that we have had for decades. Currently and through history, rule-making in Michigan requires publicly-noticed hearings, evaluation of draft rules by the public and stakeholders, the preparation of impact analysis, the opportunity for public comment, as well as review by the bipartisan Joint Committee on Administrative Rules within the Legislature. It’s simply not right to have this time-honored system of legislators and the public’s right to know and participate stripped away in the substitute before this body.

The changes made by Proposal 2 are the biggest changes to Michigan’s elections in over half a century. There is a legal path to follow to change the rules and continue to get the people’s and legislators’ input and be transparent, but it’s being ignored. They should go through the current open and deliberate process for permanent rule-making. I will be voting “no” on concurrence in the House substitute and I urge my colleagues to do the same.

Senate Bill No. 370, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending sections 759, 761, and 766 (MCL 168.759, 168.761, and 168.766), sections 759 and 761 as amended by 2020 PA 302 and section 766 as amended by 2018 PA 120, and by adding sections 766a and 766b; and to repeal acts and parts of acts.

The House of Representatives has amended the bill as follows:

- 1. Amend page 27, line 5, by striking out all of subdivision (b) and inserting:

“(b) Senate Bill No. 367.”.

The House of Representatives has passed the bill as amended, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Singh moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.

The question being on concurring in the amendment made to the bill by the House,

The amendment was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 432

Yeas—21

Anthony	Cherry	Klinefelt	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Huizenga	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno
Chang			

Nays—16

Albert	Damoose	Lindsey	Runestad
Bellino	Hauck	McBroom	Theis
Bumstead	Hoitenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senator Singh moved that the enrollment be vacated on the following bill:

Senate Bill No. 367, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending sections 570, 662, 668b, 674, 736b, 736c, 736d, 736e, 764a, 764b, 764d, 765, 765a, 765b, 768, 769, 795b, 797a, 798b, and 805 (MCL 168.570, 168.662, 168.668b, 168.674, 168.736b, 168.736c, 168.736d, 168.736e, 168.764a, 168.764b, 168.764d, 168.765, 168.765a, 168.765b, 168.768, 168.769, 168.795b, 168.797a, 168.798b, and 168.805), section 570 as amended by 2017 PA 113, section 662 as amended by 2022 PA 219, section 668b as added by 2018 PA 614, sections 674 and 764b as amended by 2018 PA 120, sections 736b, 736c, 736d, and 736e as amended by 2018 PA 190, section 764a as amended by 2023 PA 25, section 764d as added by 2020 PA 95, sections 765 and 765b as amended by 2022 PA 195, section 765a as amended by 2020 PA 177, section 769 as amended by 1995 PA 261, sections 795b and 798b as amended by 1990 PA 109, section 797a as amended by 1996 PA 583, and section 805 as amended by 2000 PA 207, and by adding sections 8, 523b, 720a, 720b, 720c, 720d, 720e, 720f, 720g, 720h, 720i, 720j, 765c, and 768a; and to repeal acts and parts of acts.

The motion prevailed.
Senator Singh moved to reconsider the vote by which the House substitute was concurred in.
The motion prevailed, a majority of the members serving voting therefor.
The question being on concurring in the substitute made to the bill by the House,
The substitute was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 433		Yeas—22	
Anthony	Cherry	McBroom	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Huizenga	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno
Chang	Klinefelt		

Nays—15			
Albert	Damoose	Lindsey	Theis
Bellino	Hauck	Nesbitt	Victory
Bumstead	Hoitenga	Outman	Webber
Daley	Johnson	Runestad	

Excused—1	
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Lauwers

Not Voting—0	
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In The Chair: President

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senator Singh moved that the Senate proceed to consideration of the following bill:
Senate Bill No. 373
The motion prevailed.

Senate Bill No. 373, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending section 2 (MCL 168.2), as amended by 2018 PA 603.

The House of Representatives has amended the bill as follows:

1. Amend page 4, following line 5, by inserting:

“Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 367 of the 102nd Legislature is enacted into law.”.

The House of Representatives has passed the bill as amended, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

Pending the order that, under rule 3.202, the bill be laid over one day,

Senator Singh moved that the rule be suspended.

The motion prevailed, a majority of the members serving voting therefor.

The question being on concurring in the amendment made to the bill by the House,

The amendment was concurred in, a majority of the members serving voting therefor, as follows:

Roll Call No. 434

Yeas—22

Anthony	Cherry	McBroom	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Huizenga	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno
Chang	Klinefelt		

Nays—15

Albert	Damoose	Lindsey	Theis
Bellino	Hauck	Nesbitt	Victory
Bumstead	Hoitenga	Outman	Webber
Daley	Johnson	Runestad	

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Recess

Senator Singh moved that the Senate recess until 6:00 p.m.

The motion prevailed, the time being 4:48 p.m.

The Senate reconvened at the expiration of the recess and was called to order by the Assistant President pro tempore, Senator Geiss.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 6:01 p.m.

6:22 p.m.

The Senate was called to order by the Assistant President pro tempore, Senator Geiss.

The House of Representatives returned, in accordance with the request of the Senate

House Bill No. 4084, entitled

A bill to amend 2014 PA 92, entitled "State essential services assessment act," (MCL 211.1051 to 211.1061) by adding section 7a.

House Bill No. 4696, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 11d of chapter XVII (MCL 777.11d), as amended by 2018 PA 661.

The bills were placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

Introduction and Referral of Bills

Senators Shink, Cavanagh, Bayer, Wojno, Klinefelt, Chang, Hertel, Santana, Outman and Anthony introduced

Senate Bill No. 440, entitled

A bill to authorize the state administrative board to transfer state-owned property in Livingston County from the administrative jurisdiction of the department of corrections to the administrative jurisdiction of the department of military and veterans affairs and to provide for powers and duties of state agencies and departments with regard to the property and the jurisdictional transfer.

The bill was read a first and second time by title and referred to the Committee on Appropriations.

Senators Shink, Chang and Bayer introduced

Senate Bill No. 441, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 44508, 44524, 47325, 47327, and 47333 (MCL 324.44508, 324.44524, 324.47325, 324.47327, and 324.47333), sections 44508, 47325, and 47333 as added by 1995 PA 57, section 44524 as amended by 2012 PA 249, and section 47327 as amended by 2020 PA 385.

The bill was read a first and second time by title and referred to the Committee on Natural Resources and Agriculture.

Senators Hertel, Webber, Wojno, Shink and Geiss introduced

Senate Bill No. 442, entitled

A bill to amend 1968 PA 251, entitled "Cemetery regulation act," (MCL 456.521 to 456.543) by adding section 12b.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senators Webber, Shink, Singh and Geiss introduced

Senate Bill No. 443, entitled

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 1809 (MCL 339.1809), as amended by 2020 PA 265.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senators Hertel, Webber, Shink, Singh, Wojno and Geiss introduced

Senate Bill No. 444, entitled

A bill to amend 1980 PA 299, entitled “Occupational code,” by amending sections 1801, 1806a, and 1810 (MCL 339.1801, 339.1806a, and 339.1810), sections 1801 and 1810 as amended by 2020 PA 265 and section 1806a as added by 2013 PA 77, and by adding section 1809c.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senators Wojno, Webber, Shink, Singh and Geiss introduced

Senate Bill No. 445, entitled

A bill to amend 1968 PA 251, entitled “Cemetery regulation act,” by amending section 2 (MCL 456.522), as amended by 2008 PA 478.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senators Webber, Singh, Wojno, Shink and Geiss introduced

Senate Bill No. 446, entitled

A bill to amend 1986 PA 255, entitled “Prepaid funeral and cemetery sales act,” by amending section 3 (MCL 328.213), as amended by 2004 PA 21.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senator Singh introduced

Senate Bill No. 447, entitled

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” (MCL 206.1 to 206.847) by adding section 677.

The bill was read a first and second time by title and referred to the Committee on Energy and Environment.

Senator Klinefelt introduced

Senate Bill No. 448, entitled

A bill to amend 1998 PA 58, entitled “Michigan liquor control code of 1998,” (MCL 436.1101 to 436.2303) by adding section 1016.

The bill was read a first and second time by title and referred to the Committee on Regulatory Affairs.

Senators Daley and Irwin introduced

Senate Bill No. 449, entitled

A bill to amend 1939 PA 280, entitled “The social welfare act,” (MCL 400.1 to 400.119b) by adding section 108b.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

Senators Irwin and Daley introduced

Senate Bill No. 450, entitled

A bill to amend 1939 PA 280, entitled “The social welfare act,” (MCL 400.1 to 400.119b) by adding section 108a.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

Senator Lauwers introduced

Senate Bill No. 451, entitled

A bill to promote the prompt payment for labor, materials, and services provided for the improvement of real property in the private contractual construction industry; to provide for certain contract provisions; and to provide for certain remedies and penalties.

The bill was read a first and second time by title and referred to the Committee on Labor.

House Bill No. 4573, entitled

A bill to amend 1966 PA 331, entitled “Community college act of 1966,” by amending sections 161, 162, and 164 (MCL 389.161, 389.162, and 389.164), sections 161 and 162 as amended by 2015 PA 130 and section 164 as amended by 2018 PA 376.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Economic and Community Development.

House Bill No. 4619, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” by amending section 2027 (MCL 500.2027), as amended by 1998 PA 26.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

House Bill No. 4620, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 3406aa.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

House Bill No. 4621, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” by amending section 3403 (MCL 500.3403), as amended by 2016 PA 276.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

House Bill No. 4622, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 3406z.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

House Bill No. 4623, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 3406bb.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Health Policy.

House Bill No. 4706, entitled

A bill to amend 1939 PA 3, entitled “An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the powers and duties of certain state governmental officers and entities; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,” by amending the title and sections 10g, 10h, and 10q (MCL 460.10g, 460.10h, and 460.10q), the title as amended by 2016 PA 341, section 10g as amended by 2008 PA 286, section 10h as added by 2000 PA 142, and section 10q as added by 2000 PA 141.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Energy and Environment.

House Bill No. 4752, entitled

A bill to amend 1980 PA 300, entitled “The public school employees retirement act of 1979,” by amending section 61 (MCL 38.1361), as amended by 2022 PA 184.

The House of Representatives has passed the bill and ordered that it be given immediate effect.
The bill was read a first and second time by title and referred to the Committee on Education.

By unanimous consent the Senate returned to the order of
Third Reading of Bills

The President, Lieutenant Governor Gilchrist, resumed the Chair.

Senator Singh moved to reconsider the vote by which the following bill was passed:

House Bill No. 4696, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 11d of chapter XVII (MCL 777.11d), as amended by 2018 PA 661.

The motion prevailed, a majority of the members serving voting therefor.

The question being on the passage of the bill,

Senator Moss offered the following substitute:

Substitute (S-1).

The substitute was adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 435

Yeas—29

Albert	Damoose	Klinefelt	Outman
Anthony	Geiss	McBroom	Polehanki
Bayer	Hauck	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Huizenga	McMorrow	Singh
Cavanagh	Irwin	Moss	Webber
Chang	Johnson	Nesbitt	Wojno
Cherry			

Nays—8

Bellino	Daley	Lindsey	Theis
Bumstead	Hoitenga	Runestad	Victory

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Singh moved that the rules be suspended and that the following bills, now on Committee Reports, be placed on the General Orders calendar for consideration today:

House Bill No. 4044

House Bill No. 4233

House Bill No. 4354

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
General Orders

Senator Singh moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President, Lieutenant Governor Gilchrist, designated Senator Irwin as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Gilchrist, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

House Bill No. 4044, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by repealing section 15b (MCL 423.215b).

House Bill No. 4233, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 10 (MCL 423.210), as amended by 2023 PA 9.

House Bill No. 4354, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

The bills were placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

House Bill No. 4820, entitled

A bill to amend 1976 PA 451, entitled “The revised school code,” by amending section 1248 (MCL 380.1248), as added by 2011 PA 102.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Singh moved that the rules be suspended and that the following bills, now on Third Reading of Bills, be placed on their immediate passage:

House Bill No. 4044

House Bill No. 4233

House Bill No. 4354

House Bill No. 4820

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
Third Reading of Bills

Senator Singh moved that the Senate proceed to consideration of the following bills:
House Bill No. 4044
House Bill No. 4233
House Bill No. 4354
House Bill No. 4820
The motion prevailed.

The following bill was read a third time:
House Bill No. 4044, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by repealing section 15b (MCL 423.215b).

The question being on the passage of the bill,
Senator Albert offered the following amendment:

1. Amend page 1, following “**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**” by inserting:

“**Sec. 10a. Every 90 days, a bargaining representative shall provide to each public employee in the bargaining unit that the bargaining representative represents the following statement in writing: “Under the United States Supreme Court decision *Janus v AFSCME, Council 31*, ___US___; 138 S Ct 2448 (2018), it is a violation of a public employee’s first amendment free speech rights for a public-sector bargaining representative to extract agency fees or union security fees from the public employee unless the public employee consents.”.**”.

The question being on the adoption of the amendment,
Senator Theis requested the yeas and nays.
The yeas and nays were ordered, 1/5 of the members present voting therefor.
The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 436		Yeas—17	
Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Nays—20			
Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Excused—1	
Lauwers	

Not Voting—0

In The Chair: President

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 437

Yeas—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Nays—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Senator Albert asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.
Senator Albert’s statement is as follows:

This amendment is similar to one that I offered in this chamber before, designed to remind public employees of their rights under terms of a United States Supreme Court decision. It so happens that this week is the anniversary of the court’s *Janus* decision, which was issued on June 27th of 2018. In this decision, the Supreme Court determined public employees cannot be forced to join a union or pay union dues. This amendment would ensure that public employees are notified of their rights under this decision. It’s the least we can do in this legislative package that appears to benefit union leadership far more than schools or students. Thank you and I urge a “yes” vote on this amendment.

The following bill was read a third time:

House Bill No. 4233, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 10 (MCL 423.210), as amended by 2023 PA 9.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 438

Yeas—21

Anthony	Cherry	McBroom	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McDonald Rivet	Shink
Camilleri	Irwin	McMorrow	Singh
Cavanagh	Klinefelt	Moss	Wojno
Chang			

Nays—16

Albert	Damoose	Johnson	Runestad
Bellino	Hauck	Lindsey	Theis
Bumstead	Hoitenga	Nesbitt	Victory
Daley	Huizenga	Outman	Webber

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 4354, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

The question being on the passage of the bill,

Senator Albert offered the following amendment:

1. Amend page 5, following line 24, by inserting:

“(j) ~~(p)~~Decisions about the development, format, content, and procedures of the notification to parents and legal guardians required under section 1249a of the revised school code, 1976 PA 451, MCL 380.1249a.”.

The question being on the adoption of the amendment,
Senator Theis requested the yeas and nays.
The yeas and nays were ordered, 1/5 of the members present voting therefor.
The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 439

Yeas—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Nays—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Senator Daley offered the following amendment:
1. Amend page 7, following line 6, by inserting:
“(9) The following are prohibited subjects of bargaining and are at the sole discretion of the public employer:
(a) A decision as to whether or not the public employer will enter into an intergovernmental agreement to consolidate 1 or more functions or services, to jointly perform 1 or more functions or services, or to otherwise collaborate regarding 1 or more functions or services.
(b) The procedures for obtaining a contract for the transfer of functions or responsibilities under an agreement described in subdivision (a).
(c) The identities of any other parties to an agreement described in subdivision (a).
(10) Subsection (9) does not relieve a public employer of any duty established by law to collectively bargain with its employees as to the effect of a contract described in subsection (9)(a) on its employees.” and renumbering the remaining subsection.
The question being on the adoption of the amendment,
Senator Theis requested the yeas and nays.
The yeas and nays were ordered, 1/5 of the members present voting therefor.
The amendment was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 440

Yeas—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis

Bumstead
Daley
Damoose

Huizenga
Johnson

Nesbitt
Outman

Victory
Webber

Nays—20

Anthony
Bayer
Brinks
Camilleri
Cavanagh

Chang
Cherry
Geiss
Hertel
Irwin

Klinefelt
McCann
McDonald Rivet
McMorrow
Moss

Polehanki
Santana
Shink
Singh
Wojno

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 441

Yeas—20

Anthony
Bayer
Brinks
Camilleri
Cavanagh

Chang
Cherry
Geiss
Hertel
Irwin

Klinefelt
McCann
McDonald Rivet
McMorrow
Moss

Polehanki
Santana
Shink
Singh
Wojno

Nays—17

Albert
Bellino
Bumstead
Daley
Damoose

Hauck
Hoitenga
Huizenga
Johnson

Lindsey
McBroom
Nesbitt
Outman

Runestad
Theis
Victory
Webber

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Protests

Senators Albert, Bellino and Hauck, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of House Bill Nos. 4044, 4233, and 4354.

Senators Albert and Hauck moved that the statements they made during the discussion of House Bill No. 4044 be printed as their reasons for voting “no.”

The motion prevailed.

Senator Albert’s statement, in which Senator Bellino concurred, is as follows:

The legislation before us today is more focused on what union leaders want than what students need. It is clearly not focused on helping kids perform better in school or catch up on lost learning. Any claim to the contrary is a theoretical argument, and no convincing evidence to support it has been provided. What these bills do is give more leverage to labor unions and contract talks with school administrators. Will it help teachers perform better in the classroom, which might in turn help students? There is certainly nothing in these bills that will measure that or quantify it in any way.

For example, House Bill No. 4233 has an outcome that has nothing to do with improving education. Current law prohibits public school resources—taxpayer money—from being used to help a labor union collect dues and service fees from members. This bill would remove that prohibition. Would that help union officials, since school administrators might have to pick up part of their duties? Absolutely. Does it help teachers or other union-represented workers? There might be a convenience factor, but other than that I don’t see much of a tangible benefit. Does this change help kids? No. And that is the problem with this bill and this legislative package. In fact, it’s a problem with the approach the Democrats have taken to labor law all year.

These changes are designed to benefit the organization and leadership of unions. These changes are designed to help with their political fundraising. The workers themselves in this case—Michigan schoolchildren as well—are just an afterthought. Thank you and I urge a “no” vote.

Senator Hauck’s statement is as follows:

Mr. President, the headlines from the first six months of this new Democratic trifecta have not been about inflation relief, and they haven’t been about fixing the damn roads. Instead they’ve been about Democrats using their newfound power to pay back their union benefactors. “Michigan Democrats want to make it easier to give to unions (who give to Dems.)” “Michigan Democrats to tackle Right-to-Work. Unions are our top donors.” “Michigan Democrats’ early campaign finance bills bolster unions influence.” And here we go again. These bills before us are shameless giveaways that put union bosses before parents and students. Perhaps the most glaring evidence of this is the fact that they could make it harder for parents to know if their child has been placed with an underperforming teacher.

Now, Mr. President, while the new majority is busy keeping union bosses happy, there are other headlines piling up. “Michigan stuck in bottom 10 states for 4th grade reading test scores. Quote, 112 Michigan schools identify as low achieving post-pandemic test scores show. Quote, Michigan students’ test scores continue to be a downward trend. We are making all the wrong kinds of headlines, Mr. President, and the only way to turn them around in Lansing is if the Lansing Democrats start focusing on ABCs than the AFTs or the MEAs. I ask for a “no” vote on these bills.

Senators Albert, Daley and Cherry asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Albert’s statement is as follows:

This bill is part of an attempt to tilt school contract negotiations heavily in favor of labor unions. That certainly should not be done at the expense of kids or parents’ rights to know about what’s happening in their community’s schools. Current state law requires parents to be notified when students are assigned to teachers who have been rated ineffective in a subject area for two years in a row. The legislation before us today would weaken that protection by making the development, format, content, and procedures of the notification subject to collective bargaining. This amendment seeks to restore this language and keep this protection on behalf of our kids and their families. We cannot allow the rights of parents to know what is going on in schools to be weakened or bargained away in any circumstances.

Senator Daley’s statement is as follows:

I rise today to speak in favor of my amendment. My amendment would return to this bill the exemption from collective bargaining that has always been applied to intergovernmental agreements. I’ve heard from

many local municipalities that fear this bill will have a drastic negative impact on their ability to function if this amendment is not adopted. Townships and counties rely on intergovernmental agreements to conduct their daily business and forcing them into collective bargaining would be a huge problem for all the taxpayers of Michigan. I was hoping that this was not an intentional decision from my colleagues across the aisle, but unfortunately that doesn't seem to be the case. My amendment would fix this oversight and I encourage your support.

Senator Cherry's statement is as follows:

The language stricken out in the bill that currently folks are not allowed to bargain over are procedures for obtaining a contract for the transfer or function of responsibilities under an agreement—meaning an interlocal agreement. What does that mean? What that means is folks who work in our schools or our public safety professionals are not allowed to bargain when their jobs are merged with other entities to make sure they're still employed. By adopting this amendment, we would be preventing our police officers and our firefighters from being able to bargain to preserve their jobs when a merger occurs. Quite frankly, I think we should be allowing them to sit down at the table with their local units of government to make sure they maintain their jobs and their benefits, and when the new department is created they are allowed to be employed by that department and are able to maintain job security. While I do care about the efficiency of local government, I think we should be allowing those employees to sit down at a table and have a conversation about preserving their jobs.

The following bill was read a third time:

House Bill No. 4820, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1248 (MCL 380.1248), as added by 2011 PA 102.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 442

Yeas—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Nays—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to make appropriations for certain purposes; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts,”

The Senate agreed to the full title.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Singh moved that the rules be suspended and that the following bills, now on Committee Reports, be placed on the General Orders calendar for consideration today:

House Bill No. 4356

House Bill No. 4357

Senate Bill No. 397

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of

General Orders

Senator Singh moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President, Lieutenant Governor Gilchrist, designated Senator Irwin as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Gilchrist, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

House Bill No. 4356, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

House Bill No. 4357, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending section 164h (MCL 388.1764h), as amended by 2018 PA 265.

Senate Bill No. 397, entitled

A bill to amend 1966 PA 346, entitled “State housing development authority act of 1966,” by amending section 32 (MCL 125.1432), as amended by 2020 PA 73.

The bills were placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Singh moved that the rules be suspended and that the following bills, now on Third Reading of Bills, be placed on their immediate passage:

House Bill No. 4356

House Bill No. 4357

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of
Third Reading of Bills

Senator Singh moved that the Senate proceed to consideration of the following bill:
House Bill No. 4356
The motion prevailed.

The following bill was read a third time:
House Bill No. 4356, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 443

Yeas—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Nays—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:
House Bill No. 4357, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending section 164h (MCL 388.1764h), as amended by 2018 PA 265.

The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 444

Yeas—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Nays—17

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis
Bumstead	Huizenga	Nesbitt	Victory
Daley	Johnson	Outman	Webber
Damoose			

Excused—1

Lauwers

Not Voting—0

In The Chair: President

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts,”

The Senate agreed to the full title.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 7:11 p.m.

7:22 p.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

By unanimous consent the Senate proceeded to the order of

Resolutions

Senator Singh moved that rule 3.204 be suspended to permit immediate consideration of the following resolutions:

Senate Resolution No. 66

Senate Concurrent Resolution No. 9

The motion prevailed, a majority of the members serving voting therefor.

Senator Brinks offered the following resolution:

Senate Resolution No. 66.

A resolution to designate July 2023 as Michigan Beer Month.

Whereas, Michigan craft brewers are a vibrant affirmation and expression of our entrepreneurial traditions, operating as community-based small businesses and providing full time employment for more than 16,000 jobs; and

Whereas, Our state has craft breweries in every region and more than 400 craft brewers statewide; and

Whereas, Every July, The Michigan Brewers Guild celebrates locally made beer by hosting a Summer Festival, one of five annual events; and

Whereas, The Michigan Brewers Guild is a passionate beer community that believes in quality artisanship, bold character, fun, responsibility, and pushing the boundaries while promoting and protecting the Michigan beer industry with an overarching goal to help locally brewed beer attain 20 percent of all beer sales in the state by 2025; and

Whereas, Michigan ranks sixth in the nation for overall number of breweries, microbreweries, and brewpubs; and

Whereas, Craft brewers support our state's agriculture by purchasing hops, malted barley, wheat, beet sugar, cherries, apples, and numerous other fruits, herbs, spices, and vegetables grown here, along with water sourced from the Great Lakes; and

Whereas, Michigan craft brewers promote a spirit of independence through a renaissance in handcrafted beers like those first brought to our state by European settlers and produced here by our forefathers, including Bernhard Stroh, for the enjoyment of the citizenry; and

Whereas, Striving to educate legal drinking-age residents, Michigan craft brewers convey awareness about the differences in beer flavor, aroma, color, alcohol content, body, and other complex variables, beer history, and gastronomic qualities of beer; and

Whereas, Michigan craft brewers champion the message of responsible enjoyment to their customers and work within their communities to prevent alcohol abuse and underage drinking; and

Whereas, Craft brewers in our state produce dozens of distinct styles of flavorful beers, the quality and diversity of which have made Michigan the envy of many, while also contributing to balanced trade with both the increase of state exports and the promotion of our state's tourism; and

Whereas, The brewing industry in Michigan has seen growth and success, with a total economic contribution of more than \$2.2 billion; and

Whereas, Michigan craft brewers are vested in the future, health, and welfare of their communities as employers provide a diverse array of quality local jobs. In addition, brewers are contributors to the local tax base, and are committed partners for a broad range of local, regional, and state nonprofit organizations and other philanthropic causes; now, therefore, be it

Resolved by the Senate, That the members of this legislative body designate July 2023 as Craft Beer Month and recognize the contributions that Michigan craft brewers have made to our state's communities, economy, and history; and be it further

Resolved, That we commend Michigan craft brewers for providing jobs, improving the balance of trade, supporting our state's agriculture, and educating residents about the history and culture of beer, while promoting the responsible consumption of beer as a beverage of moderation.

The question being on the adoption of the resolution,

The resolution was adopted.

Senators Chang, Moss, Santana and Webber were named co-sponsors of the resolution.

Senator Brinks asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Brinks' statement is as follows:

Thank you, Mr. President, and before I start I want to assure the Senator from the 7th District that I am not trying to tread on your month. We still have two more days of Pride, so don't worry.

I rise on behalf of my resolution to recognize July 2023 as Beer Month in Michigan. With more than 400 breweries statewide, July is a time to celebrate all that the growing craft beer industry brings to our economy and our way of life. It only makes sense. We have the world's best fresh water; we have acres and acres of hops; and most importantly, innovative and dedicated brewers right here in our backyard.

Michigan breweries and the beer industry as a whole has thrived and continues to be an important part of our communities and our culture, supporting more than 66,000 industry jobs in Michigan with nearly \$10 billion impact, according to the National Beer Wholesalers Association. They are committed sponsors of a broad range of valuable community institutions and philanthropic causes, including not-for-profit associations, humane societies, athletic teams, medical research and more.

I am proud to represent the many, many breweries in Senate District No. 29, home of Beer City, U.S.A., and I am proud to sponsor this resolution that declares July 2023 as Beer Month in the state of Michigan. I don't know about you, but I am certainly looking forward to toasting the passage of a completed budget very soon. I hope I can find some time with each of you this summer to raise a lager, porter, wheat, stout, sour, seltzer, or non-alcoholic Michigan beer in celebration of all that we have been able to accomplish so far this term.

Thank you Mr. President, and cheers.

Senator Singh offered the following concurrent resolution:

Senate Concurrent Resolution No. 9.

A concurrent resolution prescribing the legislative schedule.

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, June 29, 2023, it stands adjourned until Tuesday, July 18, 2023, at 10:00 a.m.; when it adjourns on Tuesday, July 18, 2023, it stands adjourned until Wednesday, July 19, 2023, at 10:00 a.m.; when it adjourns on Wednesday, July 19, 2023, it stands adjourned until Thursday, July 20, 2023, at 10:00 a.m.; when it adjourns on Thursday, July 20, 2023, it stands adjourned until Tuesday, August 22, 2023, at 10:00 a.m.; when it adjourns on Tuesday, August 22, 2023, it stands adjourned until Wednesday, August 23, 2023, at 10:00 a.m.; when it adjourns on Wednesday, August 23, 2023, it stands adjourned until Thursday, August 24, 2023, at 10:00 a.m.; when it adjourns on Thursday, August 24, 2023, it stands adjourned until Tuesday, September 5, 2023 at 10:00 a.m.; and be it further

Resolved, That when the House of Representatives adjourns on Wednesday, June 28, 2023, it stands adjourned until Tuesday, July 18, 2023, at 1:30 p.m.; when it adjourns on Tuesday, July 18, 2023, it stands adjourned until Wednesday, July 19, 2023, at 1:30 p.m.; when it adjourns on Wednesday, July 19, 2023, it stands adjourned until Thursday, July 20, 2023, at 12:00 noon; when it adjourns on Thursday, July 20, 2023, it stands adjourned until Tuesday, August 22, 2023, at 1:30 p.m.; when it adjourns on Tuesday, August 22, 2023, it stands adjourned until Wednesday, August 23, 2023, at 1:30 p.m.; when it adjourns on Wednesday, August 23, 2023, it stands adjourned until Thursday, August 24, 2023, at 12:00 noon; when it adjourns on Thursday, August 24, 2023, it stands adjourned until Tuesday, September 5, 2023 at 1:30 p.m.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 7:26 p.m.

7:43 p.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

By unanimous consent the Senate returned to the order of

Messages from the House

House Bill No. 4437, entitled

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, 2024; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

The House of Representatives has adopted the report of the Committee of Conference.

By unanimous consent the Senate proceeded to the order of

Conference Reports

Senator Singh moved that Joint Rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

House Bill No. 4437

The motion prevailed, a majority of the members serving voting therefor.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 4437, entitled**

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, 2024; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the bill as passed by the House, amended to read as follows:

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, the legislative branch, and capital outlay for the fiscal years ending September 30, 2023 and September 30, 2024; to provide for certain conditions on the appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 1

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, 2024, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT			
APPROPRIATION SUMMARY			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	544.0		
GROSS APPROPRIATION	\$	168,612,700	
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers		327,000	
ADJUSTED GROSS APPROPRIATION	\$	168,285,700	
Federal revenues:			
Total federal revenues		29,762,700	
Special revenue funds:			
Total local revenues		0	
Total private revenues		21,300	
Total other state restricted revenues		45,719,900	
State general fund/general purpose	\$	92,781,800	
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	37.0		
Unclassified salaries—FTEs	6.0\$	664,900	
Accounting service center		1,156,800	
Commissions and boards		23,800	
Emergency management—FTEs	8.0	2,918,000	
Emerging contaminants in food and agriculture—FTEs	6.0	2,080,100	
Executive direction—FTEs	23.0	3,271,800	
Property management		768,100	
GROSS APPROPRIATION	\$	10,883,500	
Appropriated from:			
Federal revenues:			
Deferred federal revenue funding		15,000	
HHS, multiple grants		432,300	
Special revenue funds:			
Agriculture licensing and inspection fees		46,200	
Dairy and food safety fund		103,400	
Feed control fund		8,100	

	For Fiscal Year Ending Sept. 30, 2024	
Fertilizer control fund	\$	10,200
Freshwater protection fund		63,200
Gasoline inspection and testing fund		25,600
Industry support funds		57,000
Michigan craft beverage council fund		8,800
Private forestland enhancement fund		16,300
Refined petroleum fund		20,500
Weights and measures regulation fees		5,000
State general fund/general purpose	\$	10,071,900
Sec. 103. INFORMATION AND TECHNOLOGY		
Information technology services and projects	\$	2,333,800
GROSS APPROPRIATION	\$	2,333,800
Appropriated from:		
Special revenue funds:		
Agriculture licensing and inspection fees		91,400
Dairy and food safety fund		74,800
Feed control fund		15,000
Fertilizer control fund		15,000
Freshwater protection fund		15,000
Gasoline inspection and testing fund		32,400
State general fund/general purpose	\$	2,090,200
Sec. 104. FOOD AND DAIRY		
Full-time equated classified positions	139.0	
Food safety and quality assurance—FTEs	103.0\$	18,472,000
Milk safety and quality assurance—FTEs	36.0	5,861,400
GROSS APPROPRIATION	\$	24,333,400
Appropriated from:		
Federal revenues:		
HHS, multiple grants		2,781,700
USDA, multiple grants		137,100
Special revenue funds:		
Consumer and industry food safety education fund		242,500
Dairy and food safety fund		5,476,800
Industry food safety education fund		114,100
Marihuana regulatory fund		349,800
Marihuana regulation fund		350,000
State general fund/general purpose	\$	14,881,400
Sec. 105. ANIMAL INDUSTRY		
Full-time equated classified positions	63.0	
Animal disease prevention and response—FTEs	63.0\$	10,876,500
Indemnification - livestock depredation		15,000
Michigan animal agriculture alliance		3,000,000
GROSS APPROPRIATION	\$	13,891,500
Appropriated from:		
Federal revenues:		
HHS, multiple grants		15,100
USDA, multiple grants		1,069,200
Special revenue funds:		
Agriculture licensing and inspection fees		72,500
Animal welfare fund		150,000
State general fund/general purpose	\$	12,584,700
Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
Full-time equated classified positions	106.0	

	For Fiscal Year Ending Sept. 30, 2024	
Agricultural climate resiliency	\$	1,000,000
Animal feed safety—FTEs	10.0	2,112,000
Pesticide and plant pest management—FTEs	91.0	15,567,400
Soil health/regenerative agriculture—FTEs	5.0	1,000,000
GROSS APPROPRIATION	\$	19,679,400
Appropriated from:		
Federal revenues:		
EPA, multiple grants		578,700
HHS, multiple grants		396,700
USDA, multiple grants		721,100
Special revenue funds:		
Private - slow-the-spread foundation		21,300
Agriculture licensing and inspection fees		4,567,200
Commodity inspection fees		686,300
Feed control fund		1,399,600
Fertilizer control fund		1,347,800
Freshwater protection fund		156,800
Horticulture fund		70,000
Industrial hemp fund		675,300
Industry support funds		228,100
State general fund/general purpose	\$	8,830,500
Sec. 107. ENVIRONMENTAL STEWARDSHIP		
Full-time equated classified positions	66.5	
Agricultural preservation easement grants	\$	1,900,000
Environmental stewardship - MAEAP—FTEs	26.0	11,744,500
Farmland and open space preservation—FTEs	10.0	1,606,500
Intercounty drain—FTEs	6.0	859,900
Local conservation districts		2,000,000
Migrant labor housing—FTEs	9.0	1,351,000
Qualified forest program—FTEs	9.0	8,073,900
Right-to-farm—FTEs	6.5	1,021,700
GROSS APPROPRIATION	\$	28,557,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDEGLE, biosolids		94,400
Federal revenues:		
Department of Interior		96,300
EPA, multiple grants		564,000
USDA, multiple grants		6,722,300
Special revenue funds:		
Agricultural preservation fund		3,506,500
Freshwater protection fund		8,328,900
Migratory labor housing fund		143,200
Private forestland enhancement fund		1,080,100
State general fund/general purpose	\$	8,021,800
Sec. 108. LABORATORY PROGRAM		
Full-time equated classified positions	108.5	
Central licensing and customer call center—FTEs	13.0	1,528,100
Consumer protection program—FTEs	42.0	7,049,300
Laboratory services—FTEs	42.5	8,770,600
USDA monitoring—FTEs	11.0	1,700,000
GROSS APPROPRIATION	\$	19,048,000

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees	\$	232,600
Federal revenues:		
EPA, multiple grants		180,600
HHS, multiple grants		1,568,700
USDA, multiple grants		1,701,200
Special revenue funds:		
Agriculture licensing and inspection fees		352,300
Dairy and food safety fund		524,200
Feed control fund		193,200
Fertilizer control fund		24,900
Freshwater protection fund		47,900
Gasoline inspection and testing fund		1,920,700
Grain dealers fee fund		8,200
Industrial hemp fund		321,000
Migratory labor housing fund		29,900
Refined petroleum fund		3,447,200
Testing fees		355,900
Weights and measures regulation fees		748,000
State general fund/general purpose	\$	7,391,500
Sec. 109. AGRICULTURE DEVELOPMENT		
Full-time equated classified positions	24.0	
Agriculture development—FTEs	13.0\$	4,796,700
Fair food network - double up food bucks		2,000,000
Food and agriculture investment program		2,472,200
Food and agriculture supply chain—FTE	1.0	800,000
Michigan craft beverage council—FTEs	3.0	1,335,300
Office of rural development—FTE	1.0	678,500
Producer security/grain dealers—FTEs	5.0	904,300
Rural development fund grant program—FTE	1.0	2,004,400
GROSS APPROPRIATION	\$	14,991,400
Appropriated from:		
Federal revenues:		
USDA, multiple grants		2,682,700
Special revenue funds:		
Agriculture licensing and inspection fees		5,100
Grain dealers fee fund		860,500
Industry support funds		223,600
Michigan craft beverage council fund		1,305,300
Rural development fund		2,004,400
State general fund/general purpose	\$	7,909,800
Sec. 110. FAIRS AND EXPOSITIONS		
County fairs, shows, and expositions	\$	500,000
Fairs and racing		258,600
Horse racing advisory commission		125,000
Purses and supplements - fairs/licensed tracks		1,353,600
Standardbred breeders' awards		345,900
Standardbred purses and supplements - licensed tracks		991,100
Standardbred sire stakes		720,000
GROSS APPROPRIATION	\$	4,294,200
Appropriated from:		
Special revenue funds:		
Agriculture equine industry development fund		3,794,200
State general fund/general purpose	\$	500,000

	For Fiscal Year Ending Sept. 30, 2024
Sec. 111. ONE-TIME APPROPRIATIONS	
Agricultural climate resiliency	\$ 6,000,000
ARP - Resilient food systems infrastructure	10,100,000
County fairs, shows, and expositions	2,000,000
Emerging contaminants in food and agriculture	1,999,800
Food and agriculture supply chain investment	1,000,000
Laboratory animal welfare	500,000
Local conservation districts	1,000,000
Minority-owned food and agriculture ventures	2,900,000
Northern Michigan herd protection and management	100
Rural venture capital	100
Soil health/regenerative agriculture	5,000,000
Washtenaw conservation district - MIFarmLink pilot project	100,000
GROSS APPROPRIATION	\$ 30,600,000
Appropriated from:	
USDA, multiple grants	10,100,000
Agriculture licensing and inspection fees	
State general fund/general purpose	\$ 20,500,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$138,501,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-24 is \$11,900,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	
Agriculture preservation easement grants	\$ 1,900,000
Environmental stewardship/MAEAP	4,100,000
Local conservation districts	3,000,000
Qualified forest program	1,400,000
Rural development fund grant program	1,400,000
Washtenaw conservation district – MIFarmLink pilot project	100,000
TOTAL	\$ 11,900,000

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

- Sec. 203. As used in part 1 and this part:
- (a) “Department” means the department of agriculture and rural development.
 - (b) “Director” means the director of the department.
 - (c) “Fiscal agencies” means the Michigan house fiscal agency and the Michigan senate fiscal agency.
 - (d) “FTE” means full-time equated.
 - (e) “IDG” means interdepartmental grant.
 - (f) “MAEAP” means the Michigan agriculture environmental assurance program.
 - (g) “MDEGLE” means the Michigan department of environment, Great Lakes, and energy.
 - (h) “Subcommittees” means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.
 - (i) “TB” means tuberculosis.
 - (j) “USDA” means the United States Department of Agriculture.

Sec. 204. (1) The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

(2) In fulfilling the reporting requirements of this part, the department shall notify report recipients when reports are posted to the department website.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on agriculture and rural development, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

(a) Funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the house and senate appropriations committees and to report recipients required in section 205 of this part. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. The department shall not use funds appropriated in part 1 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house standing committees on appropriations and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency authorization. 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 \$2,000,000.00 for state restricted contingency authorization. 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 authorization. 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 \$100,000.00 for private contingency authorization. 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. 212. 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. 213. 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 subcommittees, respectively, 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, 2023 and September 30, 2024.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services, supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 217. On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and the state budget office a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this act, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 221. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on agriculture and rural development, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 223. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees and the report recipients required in section 205 of this part any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 225. To the extent possible, the department shall not expend appropriations in part 1 until all existing work project authorization available for the same purposes is exhausted.

Sec. 226. (1) Money appropriated in part 1 shall not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

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

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

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

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

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

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

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

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

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

Sec. 303. (1) From the funds appropriated in part 1 for emerging contaminants in food and agriculture the department will support efforts to identify and respond to the impacts of emerging contaminants to the food and agriculture sector, help address and mitigate current issues caused by emerging contaminants, and work to prevent and minimize future impacts. The department shall coordinate these efforts with other state agencies, federal agencies, tribal governments, local governments, institutions of higher learning, and the food and agriculture sector. Emerging contaminants include but are not limited to pesticides, dioxins, and per- and polyfluoroalkyl substances.

(2) The unexpended funds appropriated in part 1 for emerging contaminants in food and agriculture are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project support efforts to identify and respond to the impacts of emerging contaminants to the food and agriculture sector, help address and mitigate current issues caused by emerging contaminants, and work to prevent and minimize future impacts.

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

(c) The estimated cost of this project is \$1,999,800.00.

(d) The tentative completion date for the work project is September 30, 2028.

FOOD AND DAIRY

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

(2) The report shall include information on significant foodborne outbreaks and emergencies, including any significant 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.

ANIMAL INDUSTRY

Sec. 451. From the funds appropriated in part 1, the department shall pay for all whole herd bovine TB testing costs and individual animal testing costs in the modified accredited zone and buffer counties as referenced in the current memorandum of understanding between the department and the USDA to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 452. (1) The department shall report on the previous calendar year's activities of the animal industry 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.

(2) The department shall include in the report all indemnification payments for livestock depredation made in the previous calendar year and shall include all of the following:

- (a) The reason for the indemnification.
- (b) The amount of the indemnification.
- (c) The person for whom the indemnification was paid.

Sec. 454. The department shall use its resources to collaborate with the USDA to monitor bovine TB, consistent with the current required memorandum of understanding between the department and the USDA.

Sec. 455. From the funds appropriated in part 1 for animal disease prevention and response, \$200,000.00 shall be used to cover costs associated with testing of registered privately owned cervid facilities as follows: for required surveillance testing for chronic wasting disease and for infected herd bovine TB testing.

Sec. 457. (1) On or before October 15 of each year, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update to the subcommittees, the fiscal agencies, and the state budget office. The quarterly update reports shall identify significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements; efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state; and educational programs and information for this state's livestock community.

Sec. 458. From the funds appropriated in part 1 for Michigan animal agriculture alliance, the department shall work with animal industry representatives and state research universities to continue an animal research grant program.

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.

Sec. 503. (1) From the funds appropriated in part 1 for agricultural climate resiliency, the department shall establish an agricultural climate resiliency program.

(2) The purpose of the agricultural climate resiliency program is to promote the usage and implementation of best regenerative agricultural farming practices and new technologies related to environmental sustainability, including measures to address the impacts of climate change. Program goals include enhancing soil and plant health, soil carbon sequestration, efficient use of water, and protection of water resources.

(3) The department shall promote the principles of soil health and regenerative agriculture, including maintaining soil cover, minimization of soil disturbance, plant and crop diversity, maintenance of live plants and roots, and integration of livestock into cropping systems.

(4) The department shall promote the goals and principles of soil health and regenerative agriculture, including increasing soil organic matter content, improving soil water infiltration capacity, increasing soil water holding capacity, improving soil biological capacity to break down plant residue and other substances and to maintain soil aggregation, improving soil nutrient sequestration and cycling capacity, reducing nutrient losses, and increasing carbon sequestration capacity of soil.

(5) Program funds may not be used for applied research into precision application of fertilizer, pesticides or herbicides.

(6) Of the funds appropriated in part 1 for agricultural climate resiliency, the following amounts must be used by the department to partner with a state land-grant university to develop, implement, and evaluate a soil health, regenerative agriculture, and climate resiliency program: not less than \$1,000,000.00 in ongoing funding and not less than \$5,000,000.00 in 1-time funding. The partnership must be focused on researching and assisting the agricultural industry in implementing climate resiliency, soil health, and regenerative agricultural principles and techniques. Partnership goals must include, but are not limited to, establishing program priorities, developing metrics, implementing goals, evaluating outcomes, and engaging with stakeholders.

(7) In addition to the report required under section 501, by April 1, the department shall prepare a report to be posted on the department's website and provided to the relevant house and senate standing committees and appropriations subcommittees as well as to the fiscal agencies and state budget office. The report shall provide information on the agricultural climate resiliency program, including department activities, uses of program funds by activity or project, contractors, grantees, and a summary of projects and project results.

Sec. 504. (1) From the funds appropriated in part 1 for soil health/regenerative agriculture, the department shall establish a program with the purpose of advancing the adoption of soil health and regenerative agriculture principles in Michigan agriculture.

(2) The department may engage partners to achieve the purposes of the program, including agriculture extension offices, the national resources conservation service, conservation districts, and nongovernmental organizations to build farmer-to-farmer networks to disseminate practices and information to improve adoption of soil health and regenerative agriculture practices, and other needs that the department identifies to improve adoption of these principles. Program funds may not be used for applied research into precision application of fertilizer, pesticides, or herbicides.

(3) The department shall promote the principles of soil health and regenerative agriculture, which include maintaining soil cover, minimization of soil disturbance, plant/crop diversity, maintenance of continual live plant/root, and integration of livestock into cropping systems.

(4) The department shall promote the goals of the principles of soil health and regenerative agriculture, which include increasing soil organic matter content, improving soil water infiltration capacity, increasing soil water holding capacity, improving soil biological capacity to break down plant residue and other substances and to maintain soil aggregation, improving soil nutrient sequestration and cycling capacity, reducing nutrient losses, and increasing carbon sequestration capacity of soil.

(5) The department shall promote the practices of soil health and regenerative agriculture, which include the use of no-till farming, intercropping, cover crops, multispecies cover crops, roll cropping, managed rotational grazing, and other practices identified that utilize natural biological processes to advance the goals of soil health and regenerative agriculture.

(6) The program's objectives shall be accomplished by utilizing state employees or contracts with service providers, or both. Any program partners receiving funding shall indicate the conservation outcomes they are intending to achieve and how they will measure achievement of those outcomes and provide a report to the department on the uses of funding received and achievement of any outcomes.

(7) In addition to the report required under section 501, by April 1, the department shall prepare a report to be posted on the department's website and provided to the relevant house and senate standing committees and appropriations subcommittees as well as to the fiscal agencies and state budget office. The report shall provide information on the soil health and regenerative agriculture program, including department activities, uses of program funds by activity or project, contractors, grantees, and a summary of projects and project results.

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 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.

Sec. 602. The department shall report on the previous calendar year's activities of the environmental stewardship 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.

Sec. 603. In addition to the report required under section 602, by April 1, the department shall prepare a report to be posted on the department's website and provided to the relevant house and senate standing committees and appropriations subcommittees as well as to the fiscal agencies and state budget office. The report shall contain the following information for agriculture nutrient best management voluntary practices program: number and location of acres enrolled in nutrient management or other best management practices; number of acres enrolled that were not previously verified under the MAEAP; summary of practices implemented and available incentive programs; starting and ending balances of the program; summary of outreach and training efforts; and testing results.

Sec. 604. The department may receive and expend federal revenues up to a total of \$1,000,000.00 in excess of the federal revenue appropriated in section 107 of part 1 for environmental stewardship and MAEAP activities. The department shall notify the subcommittees, the fiscal agencies, and the state budget office prior to expending federal revenues authorized under this section.

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

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

Sec. 609. (1) The appropriations in part 1 for local conservation districts shall be distributed in equal amounts to local conservation districts in this state that were in operation as of April 15, 2021.

(2) On or before March 1, 2024, the department shall report on the previous calendar year's activities of local conservation districts. The report shall include descriptions of local conservation district activities and funding, including uses of appropriations made in part 1. In preparing this report, the department shall coordinate with representatives of local conservation districts. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website.

Sec. 610. From the funds appropriated in part 1, the department shall maintain coordination with the department of treasury to improve the timely processing and issuance of tax credits under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.3116 and 324.36201 to 324.36207. This includes, but is not limited to:

- (a) Timely review of mailed applications and paperwork.
- (b) Timely and proactive communications to applicants on the status of their application.
- (c) A clear and understood timeline for the issuance of any tax credits.

LABORATORY PROGRAM

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

Sec. 652. No funds from the appropriations in part 1 may be used for the purpose of consolidating state-run laboratories.

AGRICULTURE DEVELOPMENT

Sec. 701. (1) From the funds appropriated in part 1 for the food and agriculture investment program, the department shall establish and administer a food and agriculture investment program.

(2) The food and agriculture investment program shall do all of the following:

- (a) Expand the Michigan food and agriculture sector.
 - (b) Promote food security.
 - (c) Develop local and regional food systems.
 - (d) Grow Michigan exports.
 - (e) Promote the development of value-added agricultural production.
 - (f) Support urban farms, food hubs, food incubators, and community-based processing facilities with a focus on new and expanding protein processors.
 - (g) Promote the expansion of farm markets, flower markets, and urban agriculture, including hoop houses.
 - (h) Increase food processing activities within this state by accelerating investment projects and infrastructure development that support growth in production agriculture and food and agriculture processing, expand opportunity to new agricultural producers and processors, promote agriculture tourism and agricultural heritage, and develop agricultural education and interpretation activities.
- (3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside sources for the food and agriculture investment program.
- (4) Before the allocation of funding, all projects shall receive approval from the Michigan commission of agriculture and rural development, except for projects selected through a competitive process by a joint evaluation committee selected by the director and consisting of representatives that have agriculture, food security, local and regional food systems, business, and economic development expertise. Projects funded through the food and agriculture investment program will be required to have a grant agreement that outlines milestones and activities that must be met in order to receive a disbursement of funds. Projects must also identify measurable project outcomes.

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

(6) The unexpended funds appropriated in part 1 for the food and agriculture investment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is to promote and expand the Michigan food and agriculture sector, grow Michigan exports, and increase food processing activities within the state.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (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, 2026.

(7) 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.

(8) The department shall expend no more than 5% from the funds appropriated in part 1 for the food and agriculture investment program for administrative purposes.

(9) In awarding grants under the food and agriculture investment program, the department shall identify and encourage applications from members of socially disadvantaged groups, women, veterans, and beginning farmers and ranchers. In awarding grants under the food and agriculture investment program, the department must also prioritize Michigan-based small businesses, nonprofits, and organizations promoting agriculture and food security activities.

Sec. 702. The office of rural development shall act to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development.

Sec. 703. (1) From the funds appropriated in part 1 for fair food network – double up food bucks, the department shall work with the fair food network to ensure that at least 80% of the funds allocated to the double up food bucks program are directly used for the payments to participating vendors.

(2) The department shall work with the department of health and human services to do all of the following:

(a) Notify recipients of food assistance program benefits that food assistance program benefits can be accessed at many farmer's markets in this state with bridge cards.

(b) Notify recipients of food assistance program benefits about the double up food bucks program that is administered by the fair food network. Food assistance program recipients shall receive information about the double up food bucks program.

(3) The department shall work with the fair food network to expand access to the double up food bucks program in each of the state's counties with grocery stores or farmer's markets that meet the program's eligibility requirements.

(4) On or before June 1, 2024, the department shall submit a report on activities and outcomes of the double up food bucks program to the subcommittees and the fiscal agencies. The report shall contain all of the following:

(a) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2022.

(b) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2023. The report shall highlight counties and vendors added to the program since May 1, 2022.

(c) Number of individuals participating in the program, by county.

Sec. 706. (1) The department shall report on the previous calendar year's activities of the agriculture development 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.

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

(a) The name of the grantee.

(b) The amount of the grant.

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

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

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

(3) The report shall include the following information on the Michigan craft beverage council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

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

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

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

(4) The report shall identify grant recipients who are members of socially disadvantaged groups, women, veterans, and beginning farmers and ranchers.

Sec. 707. Unexpended industry support fund revenues at the end of the fiscal year may be carried forward into the industry support fund in the succeeding fiscal year and shall not lapse to the general fund.

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 non-equine-related purposes without prior approval of the legislature.

Sec. 802. From the funds appropriated in part 1 from agriculture equine industry development funds, available revenue shall be allocated in the following priority order:

(a) To support all administrative, contractual, and regulatory costs incurred by the department and the Michigan gaming control board.

(b) Any remaining funds collected through September 30, 2023, after the obligations in subdivision (a) have been met, shall be prorated equally among the county fairs, supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 805. (1) From the funds appropriated in part 1 for county fairs, shows, and expositions, the department shall establish and administer a county fairs, shows, and expositions grant program. The program shall have the following objectives:

(a) Assist in the financing of building improvements or other capital improvements at county fairgrounds of this state.

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

(2) The department shall award grants on a competitive basis to county fairs or other organizations from the funds appropriated in part 1 for county fairs, shows, and expositions grants. Grantees will be required to provide a 50% cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year shall not receive a grant from the appropriation in part 1.

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

(4) All fairs receiving grants under this section shall provide a report to the department on the financial impact resulting from the capital improvement project on both fair and nonfair events. These reports are due for 3 years immediately following the completion of the capital improvement project.

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

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

(7) The unexpended portion of the appropriation in part 1 for county fairs, shows, and expositions grants are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

(c) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(d) The estimated cost of the project is \$2,500,000.00.

(e) The tentative completion date for the work project is September 30, 2026.

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2024 to the subcommittees, the fiscal agencies, and the state budget director that includes a listing of the grantees, award amounts, match funding, project outcomes, and department costs of grant administration.

ONE-TIME APPROPRIATIONS

Sec. 902. (1) From the 1-time funds appropriated in part 1 for minority-owned food and agriculture ventures, the department shall create a grant program to expand minority businesses in food and agriculture. Grant recipients must be majority minority-owned or ventures that are providing access to predominately majority minority-owned businesses.

(2) From the 1-time funds appropriated in part 1 for minority-owned food and agriculture ventures, \$400,000.00 shall be allocated to the communities first organization to provide retail space and assistance for predominately minority-owned entrepreneurial businesses.

(3) The unexpended funds appropriated in part 1 for minority-owned food and agriculture ventures are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is the expansion of minority-owned businesses in food and agriculture.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The estimated cost of this project is \$2,900,000.00.
- (d) The tentative completion date for the work project is September 30, 2028.

Sec. 903. The 1-time unexpended funds appropriated in part 1 for agricultural climate resiliency are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is to promote the usage and implementation of best regenerative agricultural farming practices and new technologies related to environmental sustainability, including measures to address the impacts of climate change.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The estimated cost of this project is \$6,000,000.00.
- (d) The tentative completion date for the work project is September 30, 2028.

Sec. 904. The unexpended funds appropriated in part 1 for soil health/regenerative agriculture are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is advancing the adoption of soil health and regenerative agriculture principles in Michigan agriculture.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The estimated cost of this project is \$5,000,000.00.
- (d) The tentative completion date for the work project is September 30, 2028.

Sec 905. The 1-time appropriation for Washtenaw conservation district shall be used for a 2-year MIFarmLink pilot project to connect new farmers with opportunities to gain access to land to start their own farms.

ARTICLE 2
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, 2024, from the following funds:

DEPARTMENT OF CORRECTIONS	
APPROPRIATION SUMMARY	
Full-time equated unclassified positions	16.0
Full-time equated classified positions	13,190.0
GROSS APPROPRIATION	\$ 2,086,250,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 2,086,250,000
Federal revenues:	
Total federal revenues	17,143,500
Special revenue funds:	
Total local revenues	9,805,100
Total private revenues	0
Total other state restricted revenues	29,805,500
State general fund/general purpose	\$ 2,029,495,900

For Fiscal Year
Ending Sept. 30,
2024

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	16.0	
Full-time equated classified positions	359.0	
Unclassified salaries—FTEs	16.0\$	2,184,900
Administrative hearings officers		3,478,000
Budget and operations administration—FTEs	270.0	38,426,000
Compensatory buyout and union leave bank		100
County jail reimbursement program		14,814,600
Employee wellness programming—FTEs	7.0	2,190,000
Equipment and special maintenance		1,559,700
Executive direction—FTEs	22.0	4,600,200
Judicial data warehouse user fees		50,600
New custody staff training		21,519,600
Prison industries operations—FTEs	60.0	10,020,400
Property management		2,479,200
Prosecutorial and detainee expenses		4,801,000
Worker's compensation		12,649,900
GROSS APPROPRIATION	\$	118,774,200
Appropriated from:		
Federal revenues:		
DOJ, prison rape elimination act grant		674,700
Special revenue funds:		
Correctional industries revolving fund		10,020,400
Correctional industries revolving fund 110		721,600
Jail reimbursement program fund		5,900,000
State general fund/general purpose	\$	101,457,500

Sec. 103. OFFENDER SUCCESS ADMINISTRATION

Full-time equated classified positions	337.9	
Community corrections comprehensive plans and services	\$	14,198,100
Education/skilled trades/career readiness programs—FTEs	259.9	38,065,000
Enhanced food technology program—FTEs	11.0	1,638,400
Goodwill Flip the Script		1,250,000
Higher education in prison		1,250,000
Offender success community partners		16,475,000
Offender success federal grants		751,000
Offender success programming		16,122,800
Offender success services—FTEs	67.0	17,523,800
Probation residential services		14,575,500
Public safety initiative		2,000,000
GROSS APPROPRIATION	\$	123,849,600
Appropriated from:		
Federal revenues:		
DOJ, prisoner reintegration		751,000
Federal education revenues		1,596,600
State general fund/general purpose	\$	121,502,000

Sec. 104. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions	1,880.5	
Criminal justice reinvestment	\$	3,748,400
Field operations—FTEs	1,849.5	227,263,200
Parole board operations—FTEs	31.0	3,931,800
Parole/probation services		940,000
Residential alternative to prison program		1,500,000
GROSS APPROPRIATION	\$	237,383,400

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Special revenue funds:		
Community tether program reimbursement	\$	275,000
Reentry center offender reimbursements		10,000
Supervision fees		6,630,500
Supervision fees set-aside		940,000
State general fund/general purpose	\$	229,527,900
Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
Full-time equated classified positions	707.0	
Body-worn cameras—FTEs	8.0	\$ 3,767,600
Central records—FTEs	43.0	4,888,800
Contraband prevention		1,000,000
Correctional facilities administration—FTEs	57.0	9,576,600
Housing inmates in federal institutions		511,000
Inmate housing fund		100
Inmate legal services		290,900
Intelligence unit—FTEs	30.0	3,900,000
Leased beds and alternatives to leased beds		100
Prison food service—FTEs	324.0	74,359,000
Prison store operations—FTEs	33.0	3,461,100
Transportation—FTEs	212.0	31,637,200
GROSS APPROPRIATION	\$	133,392,400
Appropriated from:		
Federal revenues:		
DOJ-BOP, federal prisoner reimbursement		411,000
SSA-SSI, incentive payment		272,000
Special revenue funds:		
Correctional industries revolving fund 110		865,800
Resident stores		3,461,100
State general fund/general purpose	\$	128,382,500
Sec. 106. HEALTH CARE		
Full-time equated classified positions	1,526.3	
Clinical complexes—FTEs	1,033.3	\$ 156,904,300
Health care administration—FTEs	18.0	3,677,500
Healthy Michigan plan administration—FTEs	12.0	1,014,800
Hepatitis C treatment		10,499,100
Interdepartmental grant to health and human services, eligibility specialists		120,200
Mental health and substance use disorder treatment services—FTEs	463.0	65,418,900
Prisoner health care services		105,531,600
Vaccination program		691,200
GROSS APPROPRIATION	\$	343,857,600
Appropriated from:		
Federal revenues:		
Federal revenues and reimbursements		403,400
Special revenue funds:		
Prisoner health care co-payments		257,200
State general fund/general purpose	\$	343,197,000
Sec. 107. CORRECTIONAL FACILITIES		
Full-time equated classified positions	8,378.3	
Alger Correctional Facility - Munising—FTEs	259.0	\$ 32,521,800
Baraga Correctional Facility - Baraga—FTEs	295.8	38,684,100
Bellamy Creek Correctional Facility - Ionia—FTEs	416.2	50,725,800
Carson City Correctional Facility - Carson City—FTEs	421.4	52,087,300

	For Fiscal Year Ending Sept. 30, 2024	
Central Michigan Correctional Facility - St. Louis—FTEs	386.6\$	49,076,100
Charles E. Egeler Correctional Facility - Jackson—FTEs	386.6	48,864,600
Chippewa Correctional Facility - Kincheloe—FTEs	443.6	54,898,100
Cooper Street Correctional Facility - Jackson—FTEs	254.6	31,516,300
Detroit Detention Center—FTEs	75.8	9,530,100
Earnest C. Brooks Correctional Facility - Muskegon—FTEs	248.2	32,443,900
G. Robert Cotton Correctional Facility - Jackson—FTEs	396.0	48,409,000
Gus Harrison Correctional Facility - Adrian—FTEs	304.0	38,563,000
Ionia Correctional Facility - Ionia—FTEs	293.3	37,055,800
Kinross Correctional Facility - Kincheloe—FTEs	258.6	34,970,900
Lakeland Correctional Facility - Coldwater—FTEs	275.4	35,240,900
Macomb Correctional Facility - New Haven—FTEs	313.3	40,062,600
Marquette Branch Prison - Marquette—FTEs	319.7	40,496,900
Muskegon Correctional Facility - Muskegon—FTEs	208.0	28,232,200
Newberry Correctional Facility - Newberry—FTEs	199.1	26,142,200
Oaks Correctional Facility - Eastlake—FTEs	289.4	37,358,400
Parnall Correctional Facility - Jackson—FTEs	266.1	31,418,200
Richard A. Handlon Correctional Facility - Ionia—FTEs	268.3	34,561,800
Saginaw Correctional Facility - Freeland—FTEs	276.9	35,438,800
Special Alternative Incarceration Program - Jackson—FTEs	26.2	5,135,100
St. Louis Correctional Facility - St. Louis—FTEs	306.6	40,295,500
Thumb Correctional Facility - Lapeer—FTEs	283.6	36,092,600
Womens Huron Valley Correctional Complex - Ypsilanti—FTEs	505.1	63,254,800
Woodland Correctional Facility - Whitmore Lake—FTEs	296.9	39,014,000
Northern region administration and support—FTEs	43.0	4,572,900
Southern region administration and support—FTEs	61.0	20,281,800
GROSS APPROPRIATION	\$	1,076,945,500
Appropriated from:		
Federal revenues:		
DOJ, state criminal assistance program		1,034,800
Special revenue funds:		
Local funds		9,530,100
State restricted fees, revenues, and reimbursements		102,100
State general fund/general purpose	\$	1,066,278,500
Sec. 108. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	31,347,300
GROSS APPROPRIATION	\$	31,347,300
Appropriated from:		
Special revenue funds:		
Correctional industries revolving fund 110		182,000
Supervision fees set-aside		714,800
State general fund/general purpose	\$	30,450,500
Sec. 109. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	1.0	
Body-worn cameras	\$	3,300,000
Breast milk program—FTE	1.0	1,000,000
Come Out Stay Out		400,000
Corrections officer signing and retention bonuses		12,000,000
Eastern Michigan University pilot program		250,000
Goodwill Flip the Script		1,350,000
Nation Outside		2,000,000
Silent Cry		400,000
GROSS APPROPRIATION	\$	20,700,000

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	12,000,000
State general fund/general purpose	\$ 8,700,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$2,059,301,400.00 and state spending from state sources to be paid to local units of government is \$121,453,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS	
Community corrections comprehensive plans and services	\$ 14,198,100
County jail reimbursement program	14,814,600
Field Operations	69,564,300
Leased beds and alternatives to leased beds	100
Probation residential services	14,575,500
Prosecutorial and detainee expenses	4,801,000
Public safety initiative	2,000,000
Residential alternative to prison program	1,500,000
TOTAL	\$ 121,453,600

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) “Administrative segregation” means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.

(b) “Department” means the Michigan department of corrections.

(c) “DOJ” means the United States Department of Justice.

(d) “DOJ-BOP” means the DOJ Bureau of Prisons.

(e) “Evidence-based” means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.

(f) “FTE” means full-time equated.

(g) “Goal” means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, the length of stay in a jail, or to improve the utilization of a jail.

(h) “Jail” means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(i) “OCC” means the office of community corrections.

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

(k) “Recidivism” means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

(l) “Serious emotional disturbance” means that term as defined in section 100d(3) of the mental health code, 1974 PA 258, MCL 330.1100d.

(m) “Serious mental illness” means that term as defined in section 100d(4) of the mental health code, 1974 PA 258, MCL 330.1100d.

(n) “SSA” means the United States Social Security Administration.

(o) “SSA-SSI” means SSA supplemental security income.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet website.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the senate and house policy offices, the legislative corrections ombudsman, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) Funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department in the state classified civil service, or a prisoner, for communicating with a member of the legislature or his or her staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees and to report recipients listed in section 205 of this part. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in part 1 shall not be used by the department 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose 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 to report recipients listed in section 205 of this part.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,500,000.00 for federal contingency authorization. Authorized 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 \$1,000,000.00 for local contingency authorization. Authorized 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. 212. 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 the department:

(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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees and report recipients listed in section 205 of this part with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. (1) Funding in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments must report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises, as defined in Executive Directive 2019-08, compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 217. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees and to report recipients listed in section 205 of this part on the number of full-time equated positions in pay status by civil service classification, including the number of full-time equated positions in pay status by civil service classification for each correctional facility. This report must include the following:

(a) A comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period.

(b) A detailed accounting of all vacant positions that exist within the department.

(c) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and vacant positions, by facility.

(d) A detailed accounting of all vacant positions that are health care related.

(e) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

(2) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work. The department must post its in-person, remote, or hybrid work policy on its website.

Sec. 219. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 220. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 221. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, to the joint committee on administrative rules, and to report recipients listed in section 205 of this part.

Sec. 222. (1) From the funds appropriated in part 1, the department shall do the following:

(a) Report to the senate and house appropriations committees and to report recipients listed in section 205 of this part any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the prior fiscal year and the total number of former department employees that were remitted severance pay during the prior fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 223. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 224. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 225. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department's central office in Lansing and at both the northern and southern region administration offices.

Sec. 226. The department shall provide the state court administrative office data sufficient to administer the swift and sure sanctions program.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

Sec. 302. From the funds appropriated in part 1, the department must submit a report by March 1 that assesses the cost of allowing corrections officers and corrections medical officers to reach their highest level of pay within 3 years of service instead of reaching it within 5 years of service.

Sec. 303. From the funds appropriated in part 1, the department shall submit a report by March 1 on the department's staff retention strategies. The report must include, but not be limited to, the following:

(a) The department's strategies on how to improve employee engagement, how to improve employee wellness, and how to offer additional training and professional development for employees, including metrics the department is using to measure success of employee wellness programming.

(b) Mechanisms by which the department receives employee feedback in areas under subdivision (a) and how the department considers suggestions made by employees.

(c) Steps the department has taken, and future plans and goals the department has for retention and improving employee wellness.

Sec. 304. From the funds appropriated in part 1, the department shall submit a report by March 1 on the number of employee departures. The report must include the number of corrections officers that departed from employment at a state correctional facility in the immediately preceding fiscal year and the number of years they worked for the department. The report shall include a chart that shows the normal distribution of employee departures in these positions based on years of service. Years of service shall be grouped into the following ranges: 1 to 3 years, 3 to 5 years, 5 to 10 years, 10 to 15 years, 15 to 20 years, and 20 and more years. The department shall review all reasons for employee departures and summarize in the report the primary reasons for departure for each of the ranges of years of service based on the available responses. The report shall include a section that shows the distinction between recruits who are in-training at the academy that depart employment, recruits who are in-training at a facility that depart employment, and employees who have been on the job that depart employment.

Sec. 305. Funds appropriated in part 1 for prosecutorial and detainer expenses shall be used to reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 306. The department shall provide fiduciary oversight of funds received under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 307. From the funds appropriated in part 1, the department shall issue an annual report for all vendor contracts. The report shall cover service contracts with a value of \$500,000.00 or more and include all of the following:

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

(b) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor.

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

Sec. 308. The department must ensure that a prisoner telephone system is maintained. The prisoner telephone system must meet ongoing operational needs of the department while maintaining the lowest per-minute rate possible. The department must provide notice at least 45 days in advance of each of the following taking effect:

(a) Changes to telephone rates.

(b) Extending the telephone contract, including the department exercising the option to extend the contract.

(c) Rebidding the telephone contract.

Sec. 309. From the funds appropriated in part 1, the department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

Sec. 310. From the funds appropriated in part 1, the department shall issue a report for all correctional facilities by January 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; the current unspent balance of any authorized capital outlay projects, including the original authorized amount; and its expected future useful life.

Sec. 311. From the funds appropriated in part 1, the department shall provide a report on the Michigan state industries program by December 1. The report shall include, but not be limited to, the locations of the programs, the total number of participants at each location, a description of job duties and typical inmate schedules, the products that are produced, and how the program provides marketable skills that lead to employable outcomes after release from a department facility.

Sec. 312. (1) Funds appropriated in part 1 for employee wellness programming shall be used for post-traumatic stress outreach, treating mental health issues, peer support programs, and providing mental health programming for all department staff, including former employees.

(2) By December 15, the department shall submit a report on programs the department has established, the level of employee involvement, and expenditures made by the department for employee wellness programming.

Sec. 313. (1) From the funds appropriated in part 1, the department shall work to hire and train new corrections officers to address attrition of corrections officers and to decrease overtime costs. The department shall submit quarterly reports on new employee schools. The reports must include the following information for the immediately preceding fiscal quarter, and as much of the information as possible for the current and next fiscal year.

(a) The number of new employee schools that took place and the location of each.

(b) The number of recruits that started in each employee school.

(c) The number of recruits that graduated from each employee school and continued employment with the department.

(2) Third quarter reports must outline steps the department has taken to obtain the highest number of recruits possible for each new employee school. A report prepared pursuant to this subsection must include, but not be limited to, all of the following information:

(a) Internal sources of recruitment, including transfers and promotions.

(b) External sources of recruitment, including advertisements.

(c) Job portals, social networking platforms, placement agencies, job fairs, campus placements, or professional entities used for recruitment.

(d) Whether the department's website was used to advertise vacancies.

Sec. 314. From the funds appropriated in part 1, the department shall submit a quarterly report on the number of overtime hours worked by all custody staff, by facility. The report shall include for each facility, the number of mandatory overtime hours worked, the number of voluntary overtime hours worked, the reasons for overtime hours worked, and the average number of overtime hours worked by active employees.

Sec. 315. From the funds appropriated in part 1, the department may establish agreements and exchange offender data with local, state, and federal agencies, law enforcement, community service and treatment providers, and research partners in order to improve offender success, reduce recidivism risk, and enhance public safety. This data sharing may include, but is not limited to, efforts to support the following:

(a) Providing continuing access to behavioral health, physical health, and medication needs through community-based providers.

(b) Establishing assistance program eligibility and participation.

(c) Collaborating with community service providers for continued care and access to services for offenders.

(d) Providing ongoing cognitive and behavioral treatment programming in the community.

(e) Providing substance abuse testing and referrals for counseling services and treatment.

(f) Providing vocational skill training, job placement support, and monitoring employment attainment.

(g) Determining educational attainment and needs.

(h) Establishing accurate offender identification, criminal histories, and monitoring new criminal activity.

(i) Measuring and evaluating treatment programs and services in support of evidence-based practices.

Sec. 316. From the funds appropriated in part 1, the department shall submit a status report on the corrections officer training academy on June 30 to the joint capital outlay subcommittee and to recipients listed in section 205 of this part. The report shall include, but not be limited to, the following:

(a) History of appropriations for the project, including appropriations made specifically for the project and appropriations made from other operating line items to support project expenditures.

(b) Anticipated costs of the project, by phase.

(c) Actual expenditures made for the project by line item, fund source, fiscal year, and phase of the project, starting with initial expenditures.

(d) Any other information the department considers necessary.

Sec. 317. From the funds appropriated in part 1, the department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget recommendation, including explanations of the methodology and assumptions used in developing the projection updates.

Sec. 318. From the funds appropriated in part 1, the department shall place the statistical report from the immediately preceding calendar year on an internet website by June 30. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

Sec. 319. From the funds appropriated in part 1, the department shall report the reincarceration recidivism rates of offenders based on available data.

Sec. 320. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

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

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

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

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

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

(4) As used in this section:

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

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

(c) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in a county jail, is in custody but is being housed at a hospital or medical facility for a medical or mental health purpose, or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

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

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

(7) Not later than February 1, the department shall report all of the following information:

(a) The number of inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program.

(b) The total amount paid to counties under the county jail reimbursement program.

(c) The total number of days inmates were in the custody of the sheriff and eligible for the county jail reimbursement program.

(d) The number of inmates sentenced to the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(e) The total amount paid to counties under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(f) The total number of days inmates were in the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(g) The estimated cost of housing inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program as inmates of a state prison.

Sec. 321. (1) From the funds appropriated in part 1, the department shall provide monthly email reports on offender populations, including, but not limited to, the following:

(a) Prison population by facility and security level and prisoners housed in county jails.

(b) Net operating capacity according to the most recent certification report.

(c) Number of closed housing units and beds in those units.

(d) Number of prisoners serving life sentences.

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

(f) Prisoner intakes.

(g) Prisoner exits, including paroles, maximum discharges, and other exits.

(h) Community residential service populations.

(i) Electronic monitoring populations.

(j) Parole populations.

(k) Probation populations, with identification of the number of offenders in special alternative incarceration.

(2) If the department knows it will not meet the reporting requirements under this section, the department shall immediately issue a report stating that fact and listing the reasons for not meeting the reporting requirements.

OFFENDER SUCCESS ADMINISTRATION

Sec. 401. (1) From the funds appropriated in part 1, the department shall provide a report by March 1 on offender success expenditures and allocations. At a minimum, the report shall include details on prior-year expenditures, including amounts spent on each project funded, itemized by service provided and service provider.

(2) The department may accept cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete the academic and jobs skills related programs. All funds received are appropriated and may be expended by the department.

Sec. 402. From the funds appropriated in part 1, the department shall partner with nonprofit faith-based, business and professional, civic, and community organizations for the purpose of providing offender success services. Offender success services include, but are not limited to, counseling, providing information on housing and job placement, and money management assistance.

Sec. 403. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall ensure that inmates have potential employer matches in the communities to which they will return prior to each inmate's initial parole hearing.

Sec. 404. (1) From the funds appropriated in part 1, the department shall design services for offender success and vocational education programs, collaborating with the department of labor and economic opportunity and local entities to the extent deemed necessary by the director. The department shall ensure the program provides relevant professional development opportunities to prisoners who are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities.

(2) By March 1, the department shall provide a report detailing the results of the workforce development program.

Sec. 405. Funds awarded for probation residential services in part 1 shall provide for a per diem reimbursement of not more than \$65.00.

Sec. 406. Pursuant to an approved comprehensive plan, allowable uses of community corrections comprehensive plans and services funds shall include reimbursing counties for transportation, treatment costs, and housing drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

Sec. 407. (1) From the funds appropriated in part 1, the department shall submit the following information for each county and counties consolidated for community corrections comprehensive plans:

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

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

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

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

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

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

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

Sec. 408. (1) From the funds appropriated in part 1 for public safety initiative, the law enforcement agency receiving funding under part 1 shall submit quarterly expenditure reports including a detailed listing of expenditures made, the purpose for which the expenditures were made, specific services provided, and the number of individuals served. Reports required under this section must be submitted to report recipients listed in section 205 of this part and to the department of corrections.

(2) As a condition of receiving funding appropriated for public safety initiative, reports required in the prior fiscal year must be submitted before funds may be disbursed for the current fiscal year.

Sec. 409. From the funds appropriated in part 1, the department shall establish and maintain policies and procedures that assist prisoners with obtaining a birth certificate, duplicate Social Security card, if eligible, DD Form 214 or other military documentation, state identification card, and operator's license before parole or discharge.

Sec. 410. (1) Funds appropriated in part 1 for higher education in prison must be used by the department in collaboration with accredited universities or colleges to provide incarcerated individuals the opportunity to participate in comprehensive bachelor's degree programs at no cost to the student. Funding must be used for eligible expenses including staffing, supplies, and tuition.

(2) Universities and colleges receiving funding under this section must report by July 1 on expenditure of funds, number of participants served, enrollments by race and gender, and number of participants that complete the program.

Sec. 411. From the funds appropriated in part 1 for enhanced food technology program, the department shall maintain a program that provides on-the-job training in prison kitchens that will lead to prisoners earning food service training credentials recognized by the restaurant industry. The department shall collaborate with the Michigan Restaurant and Lodging Association and other restaurant industry stakeholders to provide job placement assistance to individuals on probation or parole.

Sec. 412. (1) From the funds appropriated in part 1 for offender success programming, the department shall establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid addicted offenders, as well as alcohol-addicted offenders who voluntarily participate in the medication-assisted treatment offender success pilot programs. The department shall collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease assessment and treatment. The programs shall employ a multifaceted approach to treatment, including various forms of medication-assisted treatment approved by the Food and Drug Administration for the treatment of opioid use disorder or alcohol use disorder, counseling, and postrelease referral to community-based providers. The department shall consider the use of long-acting injectable formulations, when clinically appropriate, of FDA-approved medication-assisted treatment for alcohol and opioid use disorder when developing an offender's release plan.

(2) The department shall submit a report by December 1 on the number of offenders who received an injectable treatment for alcohol use disorder and the number that received an injectable treatment for opioid use disorder prior to release, the number of offenders that subsequently received treatment in the community for a duration of at least 3 months, and the number of offenders who received injections and were subsequently returned to prison during the prior fiscal year.

Sec. 413. From the funds appropriated in part 1, the department shall ensure that any inmate with a diagnosed mental illness is referred to a local mental health care provider that is able and willing to treat the inmate upon parole or discharge. The department shall ensure that the provider is informed of the inmate's current treatment plan including any medications that are currently prescribed to the inmate.

Sec. 414. (1) Funds appropriated in part 1 for Goodwill Flip the Script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program that serves a population of individuals aged 16 to 39. The program shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

- (a) Alternative sentencing programs in partnership with a local district or circuit court.
- (b) Educational recovery for special adult populations with high rates of illiteracy.
- (c) Career development and continuing education for women.

(2) The program selected shall report by March 30 on program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants who complete the program.

Sec. 415. From the funds appropriated in part 1, the department shall report by March 1 on academic and vocational programs, including, but not limited to, all of the following:

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

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

(c) The racial demographics of prisoners enrolled in each program.

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

(e) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a high school equivalency.

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

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

Sec. 416. From the funds appropriated in part 1, priority may be given to funding reentry or rehabilitation programs that have been demonstrated to reduce prison violence and recidivism, including faith-based initiatives.

Sec. 417. (1) Funds appropriated in part 1 for criminal justice reinvestment shall be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers, parolees, and prisoners.

(2) Of the funds appropriated in part 1 for criminal justice reinvestment, at least \$600,000.00 shall be allocated to an organization that has received a United States Department of Labor training to work 2-adult reentry grant to provide county jail inmates with programming and services to prepare them to get and keep jobs. Examples of eligible programs and services include, but are not limited to: adult education, tutoring, manufacturing skills training, participation in a simulated work environment, mentoring, cognitive therapy groups, life skills classes, substance abuse recovery groups, fatherhood programs, classes in understanding the legal system, family literacy, health and wellness, finance management, employer presentations, and classes on job retention. Programming and support services should begin before release and continue after release from the county jail. To be eligible for funding, an organization must show at least 2 years' worth of data that demonstrate program success.

(3) The department shall report on programs described under this section by March 30. The report shall include the reincarceration recidivism rate of program participants, the employment rate of participants who complete the program, and the cost of the program per participant.

FIELD OPERATIONS ADMINISTRATION

Sec. 501. From the funds appropriated in part 1, the department shall prepare individual reports by March 1 for the residential reentry program, the electronic monitoring program, and the special alternative to incarceration program. Each program's report shall include information on all of the following:

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

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

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

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

(i) Comparison with prior year statistics.

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

Sec. 502. (1) From the funds appropriated in part 1, the department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient

policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) By April 1, the department shall provide a report 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.

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

Sec. 503. From the funds appropriated in part 1 for residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department must ensure the following program goals are attained:

(a) Participants successfully complete the program.

(b) Participants completing the program earn a nationally recognized credential for career and vocational programs.

(c) Participants completing the program earn a certificate of completion for cognitive programming.

(d) Reduction of the prison commitment rate for probation violators within the impacted geographic area.

Sec. 504. From the funds appropriated in part 1, the department shall issue quarterly reports for the previous 4 quarters detailing outcomes of prisoners who have been reviewed for parole. The report shall include all of the following:

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

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

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

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

(g) The reason for denying or deferring parole.

HEALTH CARE

Sec. 601. By April 1, the department shall provide reports on the following:

(a) Physical and mental health care, pharmaceutical services, and durable medical equipment for prisoners. Reports must detail current and prior fiscal year expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts. Reports must include a breakdown of all payments to the integrated care provider and to other providers itemized by physical health care, mental health care, pharmaceutical services, and durable medical equipment expenditures.

(b) Pharmaceutical prescribing practices, including a detailed accounting of expenditures on antipsychotic medications, and any changes that have been made to the prescription drug formularies.

(c) A status report on efforts to develop measurable data and outcomes for physical and mental health care within the prisoner population.

Sec. 602. (1) From the funds appropriated in part 1, the department shall assure that all prisoners, upon any health care treatment funded from appropriations in part 1, are given the opportunity to sign a release of information form designating a family member or other individual to whom the department shall release records information regarding a prisoner. A release of information form signed by a prisoner shall remain in effect for 1 year, and the prisoner may elect to withdraw or amend the release form at any time.

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

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

Sec. 603. From the funds appropriated in part 1, the department shall provide a report by April 1 on prisoner health care utilization that includes the number of inpatient hospital days, outpatient visits, emergency room visits, prisoners receiving off-site inpatient medical care in the fiscal year, by facility, and a listing of the 10 most common chronic care conditions.

Sec. 604. (1) Funds appropriated in part 1 for Hepatitis C treatment shall be used only to purchase specialty medication for Hepatitis C treatment in the prison population. In addition to the above appropriation, any rebates received from the medications used shall be used only to purchase specialty medication for Hepatitis C treatment. By February 15, the department shall issue a report for the prior fiscal year showing the total amount spent on specialty medication for the treatment of Hepatitis C, the number of prisoners who were treated, the amount of any rebates that were received from the purchase of specialty medication, and what outstanding rebates are expected to be received.

(2) The report must include the Hepatitis C status of all incoming prisoners and the number of prisoners who are reinfected while incarcerated and require retreatment for Hepatitis C. The report must also include the number of those treated and released and then retreated upon reincarceration.

Sec. 605. The department shall provide an annual report on the utilization of Medicaid benefits for prisoners.

Sec. 606. By March 1, the department shall report on the number of prisoners who received medication assisted therapies, the length of time on therapies, and the number of prisoners who have discontinued treatment while incarcerated.

Sec. 607. (1) From the funds appropriated in part 1 for mental health and substance use disorder treatment, \$11,211,200.00 must be allocated for establishing at least 3 medication assisted treatment clinics. The department must select sites for clinics at correctional facilities that would allow the department to treat the highest number of prisoners with opioid use disorder as possible. Funding must be used by the department to support costs of staff, including nurses, qualified mental health professionals, recovery coaches, and corrections officers, and costs of medication and supplies. Participating prisoners must be provided with the option of receiving 1 injection of medication immediately before being released from prison into the community.

(2) The department must submit quarterly reports on the status of establishment and operation of medication assisted treatment clinics. Reports shall include, but not be limited to, all of the following:

- (a) Site locations selected.
- (b) Staffing levels.
- (c) Expenditures on staffing and supplies, including oral and injectable medications.
- (d) Number of prisoners treated.
- (e) Number of prisoners requiring treatment but not yet receiving treatment.

CORRECTIONAL FACILITIES AND ADMINISTRATION

Sec. 701. (1) From the funds appropriated in part 1, the department shall report on the department's plans to eliminate programming for prisoners. The report shall be provided at least 30 days prior to program elimination.

(2) As used in this section, "programming for prisoners" means a department core program or career and technical education program funded in part 1.

Sec. 702. From the funds appropriated in part 1 for prison food service, the department shall report by January 15 on the following:

(a) Average per-meal cost for prisoner food service. Per-meal cost shall include all costs directly related to the provision of food for the prisoner population, and shall include, but not be limited to, actual food costs, total compensation for all food service workers, including benefits and legacy costs, and inspection and compliance costs for food service.

(b) Food service-related contracts, including goods or services to be provided and the vendor.

(c) Major sanitation violations.

Sec. 703. From the funds appropriated in part 1, the department shall calculate the cost per prisoner per day for each security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year. To calculate the cost per prisoner per day, the department shall divide the prisoner-related costs by the total number of prisoner days for each custody level and correctional facility. For multilevel facilities, costs that cannot be accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations shall be submitted not later than January 15. Prisoner-related costs included in the cost per prisoner per day calculation shall include all expenditures for the following, from all fund sources:

- (a) New custody staff training.
- (b) Prison industries operations.

- (c) Education/skilled trades/career readiness programs.
- (d) Enhanced food technology program.
- (e) Offender success programming.
- (f) Central records.
- (g) Correctional facilities administration.
- (h) Housing inmates in federal institutions.
- (i) Inmate legal services.
- (j) Leased beds and alternatives to leased beds.
- (k) Prison food service.
- (l) Prison store operations.
- (m) Transportation.
- (n) Health care.
- (o) Correctional facilities.
- (p) Northern and southern region administration and support.

Sec. 704. Any local unit of government or private nonprofit organization that contracts with the department for public works services shall be responsible for financing the entire cost of such an agreement.

Sec. 705. The department shall allow the Michigan Braille transcribing fund program to operate at designated locations. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 706. (1) From the funds appropriated in part 1, the department shall report as follows:

(a) Within 72 hours of occurrence, any critical incident occurring at a correctional facility.

(b) By March 1, the number of critical incidents occurring each month at each facility during the immediately preceding calendar year, categorized by type and severity of each incident.

(2) As used in this section, "critical incident" includes a prisoner assault on staff that results in a serious physical injury to staff, an escape or attempted escape, a prisoner disturbance that causes facility operation concerns, and an unexpected death of a prisoner.

Sec. 707. From the funds appropriated in part 1, the department shall report by March 1 on the ratio of corrections officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional facility.

Sec. 708. (1) From the funds appropriated in part 1, the department shall focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, sexual abuse prevention programming, substance use disorder programming, thinking for a change programming, and any other programming that is required as a condition of parole.

(2) To the extent feasible, the department shall consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during the prisoner's sentence to impact the prisoner's behavior while incarcerated. Nothing in this section should be deemed to make parole denial appealable in court.

(3) The department shall submit a quarterly report detailing enrollment in sex abuse prevention programming, violent prevention programming, and thinking for a change programming. At a minimum, the report shall include the following:

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

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

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

Sec. 709. If a pregnant prisoner in a facility funded from appropriations in part 1 consents to a visitor being present, the department shall allow that 1 person to be present during the prisoner's labor and delivery, in addition to a doula being present if the pregnant prisoner wants to work with a doula. The person allowed to accompany the prisoner must be an immediate family member, legal guardian, spouse, or domestic partner. The department is authorized to deny access to a visitor if the department has a safety concern with that visitor's access. The department is authorized to conduct a criminal background check on a visitor.

Sec. 710. From the funds appropriated in part 1, the department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and

ongoing mental health services funded from appropriations in part 1. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 711. From the funds appropriated in part 1, the department shall report by March 1 on the annual number of prisoners during the prior fiscal year in administrative segregation and, of those, the number who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

Sec. 712. From the funds appropriated in part 1, the department shall do all of the following:

(a) Ensure that any inmate care and control staff in contact with prisoners less than 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. By April 1, the department shall report on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

(b) Provide appropriate placement for prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder and need to be housed separately from the general population. Prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder shall not be removed from an existing placement as a punitive response to behavior caused by their serious mental illness, serious emotional disturbance, or a serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners less than 18 years of age with serious emotional disturbance, serious mental illness, or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner less than 18 years of age with serious mental illness, serious emotional disturbance, or a serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

(c) Implement a specialized offender success program that recognizes the needs of prisoners less than 18 years old for supervised offender success.

Sec. 713. From the funds appropriated in part 1, the department shall submit quarterly reports on the number of youth in prison. The report shall include, but not be limited to, the following information:

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

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

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

Sec. 714. From the funds appropriated in part 1, the department must submit a report on the number of prisoners that lost visiting privileges. The report required under this section must be submitted by November 15 and include data for the prior fiscal year. The report must include all of the following information:

(a) The number of prisoners that lost visiting privileges by violation type.

(b) The number of prisoners that applied to have visiting privileges restored.

(c) The number of prisoners that had visiting privileges restored.

(d) The number of prisoners that had visiting restrictions extended.

Sec. 715. Funds appropriated in part 1 for intelligence unit must be used by the department to establish an intelligence unit to conduct investigatory and intelligence operations for the department. Intelligence operations must include, but not be limited to, intelligence operations for prisoner phone services. The department must renegotiate the current phone contract to remove the cost of intelligence operations from the contract. The savings that result from transferring responsibility for intelligence operations from the contractor to the department must be passed on to prisoners and prisoners' families as the department negotiates lower phone call rates in all future contracts.

Sec. 716. (1) From the funds appropriated in part 1, the department must submit a preliminary report on the department's plans to close, consolidate, or relocate any correctional facility in the state. The preliminary report must be provided at least 30 days prior to the effective date of the closure, consolidation, or relocation. The preliminary report must include the projected savings to the state from closure, consolidation, or relocation of the facility and must include a projection of the potential impact on staff positions.

(2) Following a prison closure, consolidation, or relocation, the department must submit a report on the actual savings achieved by the department and the impact on staff positions. Savings amounts and impact on staff positions must be itemized by facility. The report must be submitted 6 months following the prison closure, consolidation, or relocation.

(3) If the department is planning to close a correctional facility, the department must complete an analysis of the potential economic impact of a prison closure on the local community where the facility is located. The analysis must be submitted within 30 days of the department's announcement to close the facility.

Sec. 717. The department shall consult with the legislature and other appropriate state agencies to develop a framework to provide investment in communities that have formerly operational state correctional facilities that have been closed. This framework shall include plans to ensure that vacant state correctional facilities do not become a nuisance or danger to the community.

Sec. 718. From the funds appropriated in part 1, the department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet shall be reviewed by February 1 and updated as necessary. The packet shall provide information on topics, including, but not limited to: how to put money into prisoner accounts, how to make telephone 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 may 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. 801. (1) Funds appropriated in part 1 for breast milk program must be used to fund a program to provide breast milk to the newborns of postpartum prisoners.

(2) From the funds appropriated in part 1, the department shall work in collaboration with Mama's Mobile Milk to develop a contract for delivery services to ensure that every incarcerated individual who has given birth within the last 18 months has an opportunity to express breast milk for delivery to the child. Funds appropriated in part 1 shall be used by the department to ensure that participating incarcerated individuals have access to necessary supplies, including a breast pump and appropriate, sanitary containers, and suitable sanitary storage of expressed milk while milk is in the department's possession.

(3) The department, its officials, and employees are immune from criminal and civil liability arising out of their involvement with the processes set forth in this program.

(4) Mama's Mobile Milk must submit quarterly reports on the number of incarcerated individuals participating in the program, length of time incarcerated individuals participate, racial demographics of incarcerated individuals participating, location of infants served, and custodial responsibility of infants served.

(5) Unexpended funds appropriated in part 1 for breast milk program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund a program to provide breast milk to the newborns of postpartum prisoners.

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

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 802. (1) Funds appropriated in part 1 for Come Out Stay Out must be used by the department to support a contract with Come Out Stay Out to provide education, employment, and housing services to referred parolees upon release from prison. The goal of providing these services is to rebuild and rehabilitate men and women who have been incarcerated and returned to society.

(2) The program must report by March 30 on expenditure of funds, program performance measurements, number of participants served, and outcomes of participants that complete the program.

Sec. 803. (1) Funds appropriated in part 1 for corrections officer signing and retention bonuses must be used by the department to provide signing and retention bonuses for corrections officers. The following criteria must be followed regarding the payment of bonuses:

(a) A total of \$3,000.00, to be paid in increments of \$1,000.00, shall be paid to corrections officers newly hired after October 1, 2023. Payments shall be made upon hire, after the completion of on the job training, and after completion of 1 year of employment.

(b) A total of \$2,000.00 to be paid as a single payment prior to December 1, 2023 to corrections officers hired between January 9, 2023 and September 30, 2023.

(c) A total of \$1,500.00 to be paid as a single payment prior to December 1, 2023 to corrections officers hired prior to January 9, 2023 who have less than 3 years of total service as a corrections officer.

(d) A total of \$1,000.00 to be paid as a single payment prior to December 1, 2023 to corrections officers with more than 3 years of total service as a corrections officer.

(2) Expenditure of funds for corrections officer signing and retention bonuses must be agreed to by the office of state employer and the Michigan corrections organization, and approved by the civil service commission.

Sec. 804. (1) From the funds appropriated in part 1 for Eastern Michigan University pilot program, the university must provide incarcerated individuals the opportunity to participate in a comprehensive bachelor's degree program at no cost to the student. Funding must be used for eligible expenses including staffing, supplies, and tuition.

(2) Eastern Michigan University must report by July 1 on expenditure of funds, number of participants served, enrollments by race and gender, and number of participants that complete the program.

(3) Eastern Michigan University must submit a report by July 1 to the report recipients listed in section 205. The report must include the following information, as applicable:

- (a) A list of program expenditures.
- (b) The number of enrollees.
- (c) The number of job placements.
- (d) The rate of 30-day, 90-day, and 2-year employment retention post release.
- (e) The number of individuals that successfully complete a court-ordered sentence.
- (f) The 1-, 2-, and 3-year return to prison rates, if available.
- (g) Outcomes and performance measures.

(4) Eastern Michigan University must comply with all of the requirements set forth under section 807.

Sec. 805. (1) Funds appropriated in part 1 in the one-time appropriations unit for Goodwill Flip the Script must be used solely for the purpose of expanding the program that serves a population of individuals aged 16 to 39 outside the area currently served by the program described in section 414. The program must target those who are entering the criminal justice system for the first or second time and must assist those individuals through the following program types:

- (a) Alternative sentencing programs in partnership with a local district or circuit court.
- (b) Educational recovery for special adult populations with high rates of illiteracy.
- (c) Career development and continuing education for women.

(2) The report required in section 414 shall include the expanded area's program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants completing the program.

(3) Goodwill Flip the Script must submit a report by July 1 to the report recipients listed in section 205. The report must include the following information, as applicable:

- (a) A list of program expenditures.
- (b) The number of enrollees.
- (c) The number of job placements.
- (d) The rate of 30-day, 90-day, and 2-year employment retention post release.
- (e) The number of individuals that successfully complete a court-ordered sentence.
- (f) The 1-, 2-, and 3-year return to prison rates, if available.
- (g) Outcomes and performance measures.

(4) Goodwill Flip the Script must comply with all of the requirements set forth under section 807.

Sec. 806. (1) Funds appropriated in part 1 for Nation Outside must be used by the department to support a contract with the goal of supporting statewide peer-led reentry programming. The contract must include peer-led group mentoring, along with one-on-one peer mentoring for referred parolees to improve housing, civic engagement, transportation, education, employment, and access to health care and insurance.

(2) From the funds appropriated in part 1 for Nation Outside, the pilot program must enlist Wayne State University to perform an independent program evaluation of the pilot program.

(3) Nation Outside must submit a report by July 1 to the report recipients listed in section 205. The report must include the following information, as applicable:

- (a) A list of program expenditures.
 - (b) The number of enrollees.
 - (c) The number of job placements.
 - (d) The rate of 30-day, 90-day, and 2-year employment retention post release.
 - (e) The number of individuals that successfully complete a court-ordered sentence.
 - (f) The 1-, 2-, and 3-year return to prison rates, if available.
 - (g) Outcomes and performance measures.
- (4) Nation Outside must comply with all of the requirements set forth under section 807.

Sec. 807. (1) Outcomes and performance measures for the Eastern Michigan University pilot program, the one-time Goodwill Flip the Script program, and the Nation Outside program must include at least the following, as applicable to each program or entity as stated in their program goals:

(a) The number of individuals who obtain critical documents within 90 days of release and the nature of those documents.

(b) The number of individuals who access at least one community resource such as housing or transportation within 90 days of release and the nature of that resource.

- (c) The number of individuals who obtain medical insurance and a healthcare provider or providers within 90 days.
- (d) The number of individuals who report increased positive social activity within 90 days of release.
- (e) The number of individuals employed or enrolled in an educational or vocational program, or both, within 60 to 90 days of release.
- (f) The rate of job retention, housing, and education up to 12 months of release.
- (g) The number of individuals in stable housing within 60 to 90 days of release.
- (h) The number of individuals with adequate healthcare access, including access to medical, dental, behavioral health, and pharmacy services within 60 to 90 days of release.
- (i) The recidivism rate in the first year, including a breakdown of procedural violations and new charges.
- (j) With respect to recidivism, an accounting of procedural violations versus new charges.
- (k) Substance use status, including alcohol, drug use, and smoking.
- (l) Analysis of referral patterns.
- (m) Comparison of de-identified client assessments.
- (n) Civic engagement, including but not limited to, voter registration.
- (o) Tracking office-based versus community-based sessions with clients, to search for correlations and causation with outcomes.
- (p) Use of incentives.
- (q) Differences in outcomes for reentry from jail versus prison.
- (r) Participation satisfaction.
- (s) Fidelity to program values such as confidentiality, code of ethics, and mutuality.
- (t) Use of evidence-based and best practices, such as motivational interviewing and restorative practices.
- (u) Supervisory performance reviews.
- (v) Reporting and documentation burden.
- (w) Use of technology, including social media.
- (x) Effectiveness of resource networks.
- (y) Time required per client.
- (z) Quality of life improvement or other health-related measures.
- (aa) Self-efficacy improvement.
- (2) Any data collected must be provided to the legislature and must be made available to accredited universities for research purposes.

Sec. 808. (1) Funds appropriated in part 1 for Silent Cry must be used by the department to support a contract with Silent Cry that provides trauma services to referred parolees upon release from prison.

(2) The program must report by March 30 on expenditure of funds, program performance measurements, number of participants served, and outcomes of participants that complete the program.

ARTICLE 3
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, 2024, from the following funds:

DEPARTMENT OF EDUCATION			
APPROPRIATION SUMMARY			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	634.5		
GROSS APPROPRIATION	\$	647,380,900	
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION	\$	647,380,900	
Federal revenues:			
Total federal revenues		458,009,100	
Special revenue funds:			
Total local revenues		5,856,000	
Total private revenues		2,791,300	
Total other state restricted revenues		50,072,000	
State general fund/general purpose	\$	130,652,500	

For Fiscal Year
Ending Sept. 30,
2024

**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 salaries—FTE positions	6.0\$	1,100,500
Education commission of the states		120,800
State board of education, per diem payments		24,400
State board/superintendent operations—FTEs	11.0	2,505,400
GROSS APPROPRIATION	\$	3,751,100
Appropriated from:		
Federal revenues:		
Federal revenues		299,100
Special revenue funds:		
Private foundations		80,000
Certification fees		819,000
State general fund/general purpose	\$	2,553,000

Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions	47.6	
Central support operations—FTEs	38.6\$	6,142,700
Federal and private grants		3,000,000
Grant and contract operations—FTEs	9.0	2,781,200
Property management		3,972,900
Terminal leave payments		353,300
Training and orientation workshops		150,000
Worker's compensation		13,000
GROSS APPROPRIATION	\$	16,413,100
Appropriated from:		
Federal revenues:		
Federal indirect revenues		2,994,300
Federal revenues		6,266,700
Special revenue funds:		
Private foundations		1,000,000
Certification fees		601,600
Teacher testing fees		77,100
Training and orientation workshop fees		150,000
State general fund/general purpose	\$	5,323,400

Sec. 104. INFORMATION TECHNOLOGY

Information technology services and projects	\$	5,020,800
GROSS APPROPRIATION	\$	5,020,800
Appropriated from:		
Federal revenues:		
Federal indirect revenues		1,983,600
Federal revenues		650,800
Special revenue funds:		
Certification fees		948,500
State general fund/general purpose	\$	1,437,900

Sec. 105. SPECIAL EDUCATION SERVICES

Full-time equated classified positions	47.0	
Special education operations—FTEs	47.0\$	9,408,900
GROSS APPROPRIATION	\$	9,408,900
Appropriated from:		
Federal revenues:		
Federal revenues		8,816,400

	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Private foundations	\$	110,900
Certification fees		47,400
State general fund/general purpose	\$	434,200
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions	82.0	
ASL literacy resource	\$	1,000,000
Camp Tuhsmeheeta—FTE	1.0	1,000,400
Low incidence outreach program		1,000,000
Michigan schools for the deaf and blind operations—FTEs	81.0	16,652,300
Private gifts - blind		200,000
Private gifts - deaf		150,000
GROSS APPROPRIATION	\$	20,002,700
Appropriated from:		
Federal revenues:		
Federal revenues		7,590,200
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,856,000
Gifts, bequests, and donations		1,350,400
Low incidence outreach fund		1,000,000
Student insurance revenue		206,100
State general fund/general purpose	\$	4,000,000
Sec. 107. EDUCATOR EXCELLENCE		
Full-time equated classified positions	53.0	
Educator excellence operations—FTEs	52.0	10,365,100
Educator recruitment and preparation programs—FTE	1.0	1,669,500
Teacher license renewals		280,000
GROSS APPROPRIATION	\$	12,314,600
Appropriated from:		
Federal revenues:		
Federal revenues		3,167,100
Special revenue funds:		
Certification fees		4,154,700
Teacher testing fees		200,700
State general fund/general purpose	\$	4,792,100
Sec. 108. MICHIGAN OFFICE OF GREAT START		
Full-time equated classified positions	77.0	
Child development and care contracted services	\$	18,900,000
Child development and care external support		31,089,000
Child development and care public assistance		364,500,000
Family and community engagement—FTEs	6.0	1,034,400
Head start collaboration office—FTE	1.0	421,900
Office of great start operations—FTEs	70.0	14,217,100
GROSS APPROPRIATION	\$	430,162,400
Appropriated from:		
Federal revenues:		
Federal revenues		375,480,600
Special revenue funds:		
Private foundations		250,000
Certification fees		64,600
State general fund/general purpose	\$	54,367,200
Sec. 109. SYSTEMS, EVALUATION, AND TECHNOLOGY		
Full-time equated classified positions	10.0	
Office of systems, evaluation, and technology operations—FTEs	10.0	2,016,700
GROSS APPROPRIATION	\$	2,016,700

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Federal revenues:		
Federal indirect revenues	\$	141,300
Federal revenues		998,900
Special revenue funds:		
Certification fees		10,600
State general fund/general purpose	\$	865,900
Sec. 110. STRATEGIC PLANNING AND IMPLEMENTATION		
Full-time equated classified positions	6.0	
Strategic planning and implementation operations—FTEs	6.0\$	1,101,100
GROSS APPROPRIATION	\$	1,101,100
Appropriated from:		
Federal revenues:		
Federal revenues		567,600
State general fund/general purpose	\$	533,500
Sec. 111. ADMINISTRATIVE LAW SERVICES		
Full-time equated classified positions	2.0	
Administrative law operations—FTEs	2.0\$	1,416,800
GROSS APPROPRIATION	\$	1,416,800
Appropriated from:		
Federal revenues:		
Federal revenues		572,900
Special revenue funds:		
Certification fees		739,300
State general fund/general purpose	\$	104,600
Sec. 112. ACCOUNTABILITY SERVICES		
Full-time equated classified positions	63.6	
Accountability services operations—FTEs	63.6\$	14,736,600
GROSS APPROPRIATION	\$	14,736,600
Appropriated from:		
Federal revenues:		
Federal revenues		12,819,500
State general fund/general purpose	\$	1,917,100
Sec. 113. SCHOOL SUPPORT SERVICES		
Full-time equated classified positions	78.6	
Adolescent and school health	\$	326,800
School support services operations—FTEs	78.6	14,826,400
GROSS APPROPRIATION	\$	15,153,200
Appropriated from:		
Federal revenues:		
Federal revenues		12,829,300
Special revenue funds:		
Commodity distribution fees		150,000
State general fund/general purpose	\$	2,173,900
Sec. 114. EDUCATIONAL SUPPORTS		
Full-time equated classified positions	84.7	
Educational supports operations—FTEs	84.7\$	17,394,200
Michigan core curriculum		750,000
GROSS APPROPRIATION	\$	18,144,200
Appropriated from:		
Federal revenues:		
Federal revenues		12,941,000
Special revenue funds:		
Certification fees		602,400
State general fund/general purpose	\$	4,600,800

		For Fiscal Year Ending Sept. 30, 2024
Sec. 115. CAREER AND TECHNICAL EDUCATION		
Full-time equated classified positions	24.0	
Career and technical education operations—FTEs	24.0\$	5,440,300
GROSS APPROPRIATION	\$	5,440,300
Appropriated from:		
Federal revenues:		
Federal revenues		4,052,300
State general fund/general purpose	\$	1,388,000
Sec. 116. LIBRARY OF MICHIGAN		
Full-time equated classified positions	33.0	
Library of Michigan operations—FTEs	31.0\$	5,018,100
Library services and technology program—FTE	1.0	5,623,000
Michigan eLibrary—FTE	1.0	1,731,000
Renaissance zone reimbursements		2,200,000
State aid to libraries		15,567,700
GROSS APPROPRIATION	\$	30,139,800
Appropriated from:		
Federal revenues:		
Federal revenues		5,623,000
Special revenue funds:		
Library fees		300,000
State general fund/general purpose	\$	24,216,800
Sec. 117. PARTNERSHIP DISTRICT SUPPORT		
Full-time equated classified positions	13.0	
Partnership district support operations—FTEs	13.0\$	3,583,600
GROSS APPROPRIATION	\$	3,583,600
Appropriated from:		
Federal revenues:		
Federal revenues		114,500
State general fund/general purpose	\$	3,469,100
Sec. 118. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	2.0	
E rate special construction matching fund	\$	4,800,000
Family and community engagement		200,000
Head start background checks		100,000
Michigan’s poet laureate		100,000
Michigan school for the deaf dorm		40,000,000
Michigan test for teacher certification		1,000,000
PRIME schools		6,000,000
School infrastructure and consolidation administration—FTEs	2.0	750,000
Toolkit development		150,000
Wonderschool		5,475,000
GROSS APPROPRIATION	\$	58,575,000
Appropriated from:		
Federal revenues:		
Federal revenues		100,000
Special revenue funds:		
School aid fund		40,000,000
State general fund/general purpose	\$	18,475,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$180,724,500.00 and state spending from state

sources to be paid to local units of government for fiscal year 2023-2024 is \$17,917,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION	
Renaissance zone reimbursements	2,200,000
School support services operations	150,000
State aid to libraries	15,567,700
TOTAL	\$ 17,917,700

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 Michigan department of education.
- (b) “DHHS” means the Michigan department of health and human services.
- (c) “District” means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (d) “FTE” means full-time equated.
- (e) “HHS” means the United States Department of Health and Human Services.

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 includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted 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.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) Funds appropriated in part 1 must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by businesses in this state, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by businesses in this state that are owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, “geographically disadvantaged business enterprises” means that term as defined in Executive Directive No. 2019-08.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The department shall submit the report to the senate and house appropriations committees and to report recipients required in section 205 of this part. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. The department shall not use funds appropriated in part 1 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency authorization. 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 \$400,000.00 for state restricted contingency authorization. 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 \$250,000.00 for local contingency authorization. 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 \$1,500,000.00 for private contingency authorization. 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. 212. (1) Money appropriated in part 1 shall not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 213. The department and agencies receiving appropriations in part 1 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 the department:

(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. 214. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees responsible for the department budget, 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 prior 2 fiscal years.

Sec. 215. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 216. From the funds appropriated in part 1, the department shall provide through the internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 217. (1) On a quarterly basis, the department shall submit to the report recipients required in section 205 on the number of full-time equated positions in pay status by civil service classification, including the number of full-time equated positions in pay status by civil service classification for each correctional facility. This report must include the following:

(a) A comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period.

(b) A detailed accounting of all vacant positions that exist within the department.

(c) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and vacant positions, by facility.

(d) A detailed accounting of all vacant positions that are health-care-related.

(e) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

(2) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

Sec. 218. From the funds appropriated in part 1, the department may assist DHHS, other departments, intermediate school districts, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to DHHS for reimbursement.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 220. From the funds appropriated in part 1, the department shall post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse. The department also shall work to disseminate knowledge about the What Works Clearinghouse to districts and intermediate school districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

Sec. 221. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, to the joint committee on administrative rules, and to report recipients required in section 205 of this part.

Sec. 222. The department or departmental agency shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service for communicating with a member of the legislature or the member's staff, unless the communication is prohibited by law and the department or departmental agency is exercising its authority as provided by law.

Sec. 223. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 224. To the extent possible, the department shall not expend appropriations in part 1 until all existing work project authorization available for the same purposes is exhausted.

Sec. 225. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees, and the report recipients required under section 205 of this part any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023, and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 226. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency. This includes, but is not limited to, working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts and working with DHHS and the department of licensing and regulatory affairs to coordinate with early childhood programs and overseeing child care providers.

Sec. 228. (1) As a condition of receiving appropriations in part 1, in collaboration with DHHS, the department shall promote and support initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

(a) Utilization of trauma-informed practices.

(b) Age-appropriate education and information on human trafficking.

(c) Age-appropriate education and information on sexual abuse prevention.

(2) Upon request by the department, the department of state police and the department of attorney general shall consult in the promotion and support of initiatives in schools and other educational organizations under subsection (1).

Sec. 231. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 232. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

Sec. 240. (1) For Michigan school for the deaf dorm, PRIME schools, and Wonderschool, those are for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

SPECIAL EDUCATION SERVICES

Sec. 350. From the funds in part 1 for special education operations, the department shall use \$100,000.00 to design and distribute to all parents and legal guardians of a student with a disability information about federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, problem-solving options, and any other information the department determines is necessary so that parents and legal guardians may be able to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 401. From the funds appropriated in part 1, the employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

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

Sec. 406. (1) From the funds appropriated in part 1, the Michigan Schools for the Deaf and Blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. The Michigan Schools for the Deaf and Blind shall distribute information detailing its services to all intermediate school districts in this state.

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

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

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

Sec. 408. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

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

Sec. 409. When conducting a due process hearing resulting from a parent's appeal of that parent's child's individualized education program team's decision on the child's educational placement, a state administrative

law judge shall consider designating the Michigan School for the Deaf as 1 of the options for the least restrictive environment under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

Sec. 410. From the funds appropriated in part 1 for ASL literacy resources, the department shall expend the funds to comply with all requirements in section 1705 of the revised school code, 1976 PA 451, MCL 380.1705.

EDUCATOR EXCELLENCE

Sec. 501. From the funds appropriated in part 1 for educator excellence, the department shall maintain certificate revocation/felony conviction files of educational personnel.

Sec. 502. The funds appropriated in part 1 for teacher license renewals shall be used to implement a program to waive fees or associated costs for the recruitment and retention of educators.

Sec. 503. From the funds appropriated in part 1, the department shall, upon request, consult with the Michigan Virtual Learning Research Institute and external stakeholders in connection with the department's implementation and administration of professional development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

Sec. 504. From the funds appropriated in part 1 for educator recruitment and preparation programs, the department shall award \$1,000,000.00 to districts for educator preparation program tuition, program fees, testing fees, and substitute permit costs for any individual employed in grades pre-k to 12 working toward certification or an additional endorsement, and for program costs associated with hands-on learning experiences for students in grades 6 to 12 interested in the field of education, with supervision and mentoring from educators who are champions of, and committed to, the success of the profession.

Sec. 505. From the funds appropriated in part 1 for educator recruitment and preparation programs, not less than \$190,000.00 and not fewer than 1.0 FTE position is allocated for educator recruitment and preparation programs. These amounts are in addition to any funding and FTEs utilized for this purpose in the current fiscal year.

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

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

SCHOOL SUPPORT SERVICES

Sec. 601. From the funds appropriated in part 1 for adolescent and school health, the funds shall be used to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

Sec. 602. (1) From the funds appropriated in part 1 for school support services operations, there is appropriated \$150,000.00 for school board member training. The department shall approve 1 or more training programs for school board members that include courses of instruction for school board members in 1 or more of the following topic areas:

(a) Conflicts of interest, including, but not limited to, the application of section 1203 of the revised school code, 1976 PA 451, MCL 380.1203.

(b) Labor relations, including, but not limited to, in a school board's role in collective bargaining agreements in 1947 PA 336, MCL 423.201 to 423.217, and in other laws related to employment.

(c) Education law, including, but not limited to, the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA 4, MCL 38.71 to 38.191, dealing with teacher tenure.

(d) School finance, including, but not limited to, the creation and management of school district budgets.

(e) Board governance, including, but not limited to, roles and responsibilities, parliamentary procedure, and best practices.

(f) Implicit bias training.

(2) Upon completion of an eligible training program, a school board member may apply for reimbursement for the cost of the eligible training program through the board member's local district, up to \$100.00 per course. The department may determine the form and manner of the application to reimburse the district for the cost.

(3) The department must create a process for the provider of a course in a topic listed in subsection (1) to apply to the department to have the course approved and be eligible for a school board member to be reimbursed for completing that course as provided under subsection (2).

(4) As used in this section:

(a) “Eligible training program” means a training program that is approved under subsection (1).

(b) “School board member” means a member of the board of a school district or intermediate school district or a member of the board of directors of a public school academy in this state.

EDUCATIONAL SUPPORTS

Sec. 701. (1) From the funds appropriated in part 1 for educational supports, the department shall produce a report detailing the progress made by districts with grades K to 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year for grades K to 12, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

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

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

(b) A list of districts determined by the department to have successfully implemented multitiered systems of supports and reading intervention programs.

(c) A list of best practices that the department has identified that may be used by districts to implement multitiered systems of supports and reading intervention programs.

(d) Other information the department determines would be useful to understanding the status of districts’ implementation of effective multitiered systems of supports and reading intervention programs.

(3) The department shall provide the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department and school aid budgets, and the house and senate fiscal agencies by September 30 of the current fiscal year.

Sec. 702. From the funds appropriated in part 1, there is appropriated an amount not less than \$1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

Sec. 703. From the funds appropriated in part 1 for Michigan core curriculum, in collaboration with the confederation of Michigan tribal education department, the department shall design, implement, and evaluate professional learning and optional curriculum modules for the purpose of learning Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan as described in the Michigan core curriculum standards for grades 8 to 12.

LIBRARY OF MICHIGAN

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

(2) As used in this section, “qualified services” means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2023. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

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

MICHIGAN OFFICE OF GREAT START

Sec. 1002. (1) From the funds appropriated in part 1, the department shall ensure that the final child development and care provider reimbursement rates are published on the department and Great Start to Quality webpages.

(2) In addition to the funds appropriated in part 1, upon receiving approval from the state budget director, the department may receive and expend federal child care development block grant funds at risk of being lapsed back to the federal government. The department may do this only if all of the following criteria are met:

(a) The funds are at risk of being lapsed by the end of the current fiscal year.

(b) The department plans to expend the funds through a 1-time rate increase to providers.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds.

(3) If the average cases over a 3-month period in the child development and care program result in the projected fiscal year 2024 caseloads to fall below the caseload agreement from the May 2023 consensus revenue estimating conference, the department may increase the hourly reimbursement rate to child care providers if the following conditions are met:

(a) The level of estimated expenditures for the remainder of the year is estimated to be significantly below the level estimated from the May 2023 consensus revenue estimating conference.

(b) The department plans to expend the funds through an ongoing rate increase to providers for the remainder of the fiscal year.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds that includes the rate increase.

(4) Upon receiving approval from the state budget director under subsection (2) or (3), the department must notify the senate and house fiscal agencies of the amount being appropriated, the estimated rate increase to providers, and if the rate increase to providers is 1-time or ongoing in nature.

(5) The department may withdraw the intent to expend the funds under subsections (2) or (3) by notifying the state budget director in writing.

Sec. 1003. (1) From the funds appropriated in part 1 for child development and care contracted service, the department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to contracts for the early childhood comprehensive systems planning by this state during the previous fiscal year. The report is due by February 15 and must contain at least the following information:

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

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

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

Sec. 1007. (1) From the funds appropriated in part 1 for child development and care - external support, the department, the department of licensing and regulatory affairs, and DHHS shall create a joint annual report that includes, but is not limited to, the following:

(a) The affordability of child care in this state, including, but not limited to, the number of children eligible for and participating in the child development and care program, the number of children eligible for and participating in the child development and care program for the last 5 years, and key takeaways from the most recent market rate survey.

(b) The availability of child care in this state by county, including, but not limited to, the number of licensed child care providers, the change in the number of licensed child care providers and slots over time, and the estimated demand for care.

(c) The health and safety of child care, including, but not limited to, the top 10 most common rule violations, the number of licenses revoked and summarily suspended, and the number of license violations for incomplete health and safety training and safe sleep training.

(d) Any actions taken to strengthen health and safety of care, including, but not limited to, the number of licensing consultants, their average caseload, the number of on-site visits they complete by provider type and region, the types of activities that are intended to improve health and safety in licensed care, and the number of times those activities are performed by licensing consultants.

(e) The quality of child care, including, but not limited to, the number of licensed providers participating in the great start to quality program and the workforce registry, the number of new participants and how participation has changed over the last 5 years, and the number of children participating in the child development and care program enrolled in an enhancing quality level or higher program.

(f) Any actions taken to improve child care quality, including, but not limited to, the number of quality consultants, their average caseload, the number of on-site visits they complete by region, the types of activities that are intended to improve quality and the number of times those activities are performed, and the number of providers that have improved their quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each region.

(g) The child care workforce, including, but not limited to, the number of child care professionals, average wages by role, number of individuals participating in the TEACH scholarship and earning a credential, and the level of demand for staff.

(2) The report shall be posted to the department website and sent to the state budget director, the house and senate subcommittees that oversee the department budget, and the house and senate fiscal agencies by April 1 of the current fiscal year reflecting data for the previous fiscal year.

Sec. 1008. From the amount appropriated in part 1 for office of great start operations, the department shall ensure efficient service provisions to coordinate services provided to families for home visits, reduce duplication of state services and spending, and increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance eligibility threshold for the child development and care program is set to not more than 200% of the federal poverty guidelines.

Sec. 1011. From the funds appropriated in part 1 for child development and care public assistance, for eligible children in the child development and care program, the department shall implement payments to providers based on enrollment rather than based on attendance. This shall be done in a manner determined by the department.

Sec. 1012. From the funds appropriated in part 1, \$3,000,000.00 shall be for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Sec. 1014. From the funds appropriated in part 1 for family and community engagement, the department shall at a minimum do all of the following:

(a) Establish or partner with family engagement centers across the state to increase parent and guardian involvement in their child's education.

(b) Ensure translation and interpretation services are available and implemented pursuant to department guidance.

(c) Partner with intermediate school districts to assist in getting information and resources to their constituent districts.

(d) Develop an early literacy engagement plan to help parents or guardians become involved in their child's education.

ONE-TIME APPROPRIATIONS

Sec. 1101. From the funds appropriated in part 1 for the Michigan's poet laureate, there is appropriated \$100,000.00 for Michigan's poet laureate to support the Michigan poet laureate program to promote poetry, the spoken word, and literary arts across this state.

Sec. 1102. From the funds appropriated in part 1 for toolkit development, the department is authorized to hire 1 limited-term employee and cover necessary costs to develop a toolkit to provide professional development regarding the teaching of the full and complex American history across subject areas including the history of communities of color and other marginalized communities.

Sec. 1103. (1) From the funds appropriated in part 1 for school infrastructure and consolidation administration, not less than \$378,300.00 and not fewer than 2.0 FTE positions must be allocated to administer funding for school consolidation, infrastructure, and the Healthy Schools Program.

(2) In addition to the funds in subsection (1), there is an additional \$371,700.00 allocated to partner with the department of environment, Great Lakes, and energy, DHHS, and the department of treasury to work in coordination on administering funding for school consolidation, infrastructure, and the Healthy Schools Program.

Sec. 1104. (1) The funds appropriated in part 1 for the Michigan test for teacher certification shall be used for grants to reimburse eligible applicants who have taken a subject area test or subject area tests required under the Michigan test for teacher certification during the 2023-2024 academic year. Grant awards must be equal to 100% of the fees associated with any test or tests under the Michigan test for teacher certification necessary for the eligible applicant to be certified to teach in Michigan. As used in this subsection, "eligible applicant" means any of the following:

(a) The applicant was not a certified teacher in any state and took a required subject area test or subject area tests under the Michigan test for teacher certification for the first time.

(b) The applicant was a certified teacher in another state and took a required test or tests under the Michigan test for teacher certification for the first time.

(c) The applicant was a Michigan certified teacher and took a required subject area test or subject area tests under the Michigan test for teacher certification for an additional endorsement for the first time.

(2) The department shall develop, and publish on the department website, program guidelines, an application process, and the associated application materials.

Sec. 1105. From the funds appropriated in part 1 for PRIME schools, \$5,800,000.00 must be allocated to the SME Education Foundation's partnership response initiative. The SME Education Foundation's

partnership response initiative must use the funding to provide high schools in this state with cost-effective and tailored engineering and manufacturing programs that provide equipment, curricula, professional development, scholarships, and STEM-focused curricular activities to students enrolled in and teachers teaching in high schools of this state. The department may use up to \$200,000.00 from the funds appropriated for PRIME schools to support 1 full-time equated position to administer the program.

Sec. 1106. (1) From the funds appropriated in part 1 for Wonderschool, \$5,475,000.00 shall be used for a program that provides quality support to providers in this state who seek to adopt business practices that best serve families in this state.

(2) An eligible recipient of funds under this section must partner with the department of licensing and regulatory affairs and stakeholders to increase the supply of child care family homes, group homes, and centers by recruiting and coaching prospective providers through the initial business planning and implementation process and develop and execute a 2-year mentorship program for new child care family homes, group homes, and centers.

(3) In order to be eligible for funding under this section, the recipient must agree to do all of the following:

(a) Partner with the department of licensing and regulatory affairs to plan, staff, and execute in-person and virtual recruitment events for new child care providers in areas of need and develop informational materials that assist child care family homes, group homes, and centers with marketing, advertising, and parental outreach.

(b) Provide a software platform, including customizable dashboards, to assist child care family homes, group homes, and centers with marketing, enrollment, family communication, billing, and expense reporting.

(c) Offer child care family homes, group homes, and centers coaching and training including in-person group training sessions, on-site coaching visits, community forums, and events.

(4) As a condition of receiving funds appropriated in part 1, recipients must report to the department all necessary information to meet state and federal reporting requirements in law and regulations. This information must be reported in a form and manner determined by the department.

Sec. 1107. (1) From the funds appropriated in part 1 for Michigan school for the deaf dorm, the department shall award \$40,000,000.00 to an intermediate school district located in a county with a population between 400,000 and 410,000 according to the most recent federal decennial census. The funds shall be used for planning and the construction of a new dormitory for the Michigan school for the deaf to serve students in this state.

(2) The unexpended funds appropriated in part 1 for Michigan school for the deaf dorm are designated as a work project appropriation, and any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to plan and construct a new dormitory for the Michigan school for the deaf.

(b) The project will be accomplished by a grant to an intermediate school district approved by the department under this section.

(c) The total estimated cost for the work project is \$40,000,000.00.

(d) The tentative completion date is September 30, 2028.

ARTICLE 4

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	1,610.0

GROSS APPROPRIATION **\$ 1,051,611,900**

Appropriated from:

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	4,035,100
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ADJUSTED GROSS APPROPRIATION **\$ 1,047,576,800**

Federal revenues:

Total federal revenues	441,297,200
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	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Total local revenues		0
Total private revenues	\$	1,360,700
Total other state restricted revenues		358,966,800
State general fund/general purpose	\$	245,952,100
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	105.0	
Unclassified salaries—FTE positions	6.0	\$ 918,400
Accounting service center		1,460,500
Administrative hearings officers		906,600
Environmental investigations—FTEs	12.0	1,990,700
Environmental support—FTEs	56.0	8,947,000
Environmental support projects		0
Executive direction—FTEs	20.0	4,441,700
Facilities management		1,000,000
Financial support—FTEs	17.0	10,159,400
Grants and records management—FTEs	0.0	0
Michigan geological survey		3,000,000
Property management		7,849,800
GROSS APPROPRIATION	\$	40,674,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from Michigan department of state police		82,600
IDG from state transportation department		108,100
Federal revenues:		
Federal funds		767,000
Special revenue funds:		
Private funds		711,700
Air emissions fees		862,300
Aquatic nuisance control fund		79,300
Campground fund		25,800
Cleanup and redevelopment fund		2,730,600
Coal ash care fund		17,100
Electronic waste recycling fund		36,100
Environmental education fund		184,100
Environmental pollution prevention fund		552,300
Fees and collections		19,800
Financial instruments		8,447,400
Great Lakes protection fund		544,200
Groundwater discharge permit fees		123,400
Infrastructure construction fund		2,700
Laboratory services fees		663,400
Land and water permit fees		198,400
Medical waste emergency response fund		36,100
Metallic mining surveillance fee revenue		5,800
Mineral well regulatory fee revenue		17,100
Nonferrous metallic mineral surveillance		16,200
NPDES fees		355,500
Oil and gas regulatory fund		461,600
Orphan well fund		71,000
Public swimming pool fund		50,200
Public utility assessments		723,900

	For Fiscal Year Ending Sept. 30, 2024
Public water supply fees	\$ 380,400
Refined petroleum fund	3,263,700
Renew Michigan fund	4,573,600
Sand extraction fee revenue	2,700
Scrap tire regulatory fund	185,500
Septage waste program fund	48,400
Settlement funds	1,500,000
Sewage sludge land application fees	74,200
Soil erosion and sedimentation control training fund	11,700
Solid waste management fund - staff account	740,500
Stormwater permit fees	185,100
Technologically enhanced naturally occurring radioactive material	34,400
Underground storage tank cleanup fund	255,000
Wastewater operator training fees	44,800
Water quality protection fund	8,700
Water use reporting fees	19,900
State general fund/general purpose	\$ 11,451,800
Sec. 103. WATER RESOURCES DIVISION	
Full-time equated classified positions	418.0
Aquatic nuisance control program—FTEs	6.0\$ 977,200
Federal - Great Lakes remedial action plan grants	583,800
Fish contaminant monitoring	316,100
Great Lakes restoration initiative—FTEs	9.0 11,234,300
Groundwater data collection—FTEs	3.0 2,000,000
Nonpoint source pollution prevention and control project program	4,083,300
Water resource programs—FTEs	168.0 27,574,700
Water quality programs—FTEs	232.0 36,007,100
Technology advancements for water monitoring	500,000
Water quality protection grants	100,000
Watershed council grants	600,000
GROSS APPROPRIATION	\$ 83,976,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG from state transportation department	2,016,700
Federal revenues:	
Federal funds	34,569,200
Special revenue funds:	
Aquatic nuisance control fund	977,200
Environmental response fund	590,000
Groundwater discharge permit fees	2,193,800
Infrastructure construction fund	52,000
Land and water permit fees	2,440,000
NPDES fees	4,378,100
Refined petroleum fund	456,000
Sewage sludge land application fees	904,700
Soil erosion and sedimentation control training fund	143,500
Stormwater permit fees	2,283,300
Wastewater operator training fees	311,200
Water pollution control revolving fund	152,500
Water quality protection fund	100,000
Water use reporting fees	262,000
State general fund/general purpose	\$ 32,146,300

	For Fiscal Year Ending Sept. 30, 2024	
Sec. 104. AIR QUALITY DIVISION		
Full-time equated classified positions	218.0	
Air quality programs—FTEs	218.0\$	36,111,100
GROSS APPROPRIATION	\$	36,111,100
Appropriated from:		
Federal revenues:		
Federal funds		7,651,000
Special revenue funds:		
Air emissions fees		10,674,500
Fees and collections		211,000
Oil and gas regulatory fund		145,200
Public utility assessments		150,000
Refined petroleum fund		2,141,000
State general fund/general purpose	\$	15,138,400
Sec. 105. REMEDIATION AND REDEVELOPMENT DIVISION		
Full-time equated classified positions	327.0	
Contaminated site remediation and redevelopment programs—FTEs	327.0	75,373,100
Emergency cleanup actions		2,000,000
Environmental cleanup and redevelopment program		27,600,000
Superfund cleanup		11,000,000
GROSS APPROPRIATION	\$	115,973,100
Appropriated from:		
Federal revenues:		
Federal funds		16,612,900
Special revenue funds:		
Brownfield development fund		1,100,000
Clean Michigan initiative, response activities		144,000
Cleanup and redevelopment fund		54,655,800
Environmental response fund		1,442,100
Laboratory services fees		8,190,800
Public water supply fees		328,500
Refined petroleum fund		33,204,400
State general fund/general purpose	\$	294,600
Sec. 106. UNDERGROUND STORAGE TANK AUTHORITY		
Full-time equated classified positions	8.0	
Underground storage tank cleanup program—FTEs	8.0\$	20,095,600
GROSS APPROPRIATION	\$	20,095,600
Appropriated from:		
Federal funds		
Special revenue funds:		
Private funds		
Underground storage tank cleanup fund		20,095,600
State general fund/general purpose	\$	0
Sec. 107. RENEWING MICHIGAN'S ENVIRONMENT		
Full-time equated classified positions	153.0	
Information Management—FTEs	22.0\$	6,087,300
Renew Michigan program—FTEs	131.0	70,211,500
GROSS APPROPRIATION	\$	76,298,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from Michigan department of state police		6,800
IDG from state transportation department		6,300

	For Fiscal Year Ending Sept. 30, 2024
Federal revenues:	
Federal funds	\$ 5,800
Special revenue funds:	
Private funds	
Air emissions fees	65,300
Aquatic nuisance control fund	4,600
Campground fund	1,200
Cleanup and redevelopment fund	181,900
Coal ash care fund	1,000
Electronic waste recycling fund	1,100
Environmental pollution prevention fund	39,800
Fees and collections	120,200
Financial instruments	275,500
Great Lakes protection fund	1,200
Groundwater discharge permit fees	10,700
Laboratory services fees	45,000
Land and water permit fees	14,400
Medical waste emergency response fund	1,100
Mineral well regulatory fee revenue	500
Nonferrous metallic mineral surveillance	1,300
NPDES fees	24,900
Oil and gas regulatory fund	33,300
Orphan well fund	5,500
Public swimming pool fund	1,400
Public water supply fees	26,900
Refined petroleum fund	226,500
Renew Michigan fund	70,521,200
Scrap tire regulatory fund	13,200
Septage waste program fund	1,600
Sewage sludge land application fee	4,600
Soil erosion and sedimentation control training fund	200
Solid waste management fund, staff account	56,500
Stormwater permit fees	12,300
Strategic water quality initiatives fund	800
Technologically enhanced naturally occurring radioactive material	2,000
Underground storage tank cleanup fund	17,000
Wastewater operator training fees	2,800
Water quality protection fund	500
Water use reporting fees	1,100
State general fund/general purpose	\$ 4,562,800
Sec. 108. INFORMATION TECHNOLOGY	
Information technology services and projects—FTEs	\$ 9,240,100
GROSS APPROPRIATION	\$ 9,240,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from Michigan department of state police	21,600
IDG from state transportation department	28,300
Federal revenues:	
Federal funds	1,793,000
Special revenue funds:	
Air emissions fees	224,700
Aquatic nuisance control fund	20,800
Campground fund	6,700

	For Fiscal Year Ending Sept. 30, 2024	
Cleanup and redevelopment fund	\$	724,600
Coal ash care fund		4,500
Electronic waste recycling fund		9,700
Environmental pollution prevention fund		144,300
Fees and collections		5,200
Financial instruments		973,200
Great Lakes protection fund		10,400
Groundwater discharge permit fees		32,000
Infrastructure construction fund		700
Laboratory services fees		172,600
Land and water permit fees		51,300
Medical waste emergency response fund		9,700
Metallic mining surveillance fee revenue		1,500
Mineral well regulatory fee revenue		4,500
Nonferrous metallic mineral surveillance		4,500
NPDES fees		92,300
Oil and gas regulatory fund		119,800
Orphan well fund		18,600
Public swimming pool fund		13,400
Public utility assessments		17,900
Public water supply fees		98,900
Refined petroleum fund		863,000
Renew Michigan fund		1,244,600
Sand extraction fee revenue		700
Scrap tire regulatory fund		48,400
Septage waste program fund		12,600
Sewage sludge land application fees		19,300
Soil erosion and sedimentation control training fund		3,000
Solid waste management fund - staff account		192,700
Stormwater permit fees		48,400
Technologically enhanced naturally occurring radioactive material		8,900
Underground storage tank cleanup fund		67,000
Wastewater operator training fees		11,900
Water pollution control revolving fund		18,400
Water quality protection fund		2,200
Water use reporting fees		5,200
State general fund/general purpose	\$	2,089,100
Sec. 109. DRINKING WATER AND ENVIRONMENTAL HEALTH		
Full-time equated classified positions	157.0	
Drinking water and environmental health—FTEs	157.0	36,803,500
GROSS APPROPRIATION	\$	36,803,500
Appropriated from:		
Federal revenues:		
Federal funds		13,619,200
Special revenue funds:		
Campground fund		375,100
Fees and collections		34,500
Public swimming pool fund		749,100
Public water supply fees		4,976,700
Refined petroleum fund		761,100
Septage waste program fund		601,700
Wastewater operator training fees		265,300
State general fund/general purpose	\$	15,420,800

	For Fiscal Year Ending Sept. 30, 2024	
Sec. 110. MATERIALS MANAGEMENT DIVISION		
Full-time equated classified positions	132.0	
Energy programs—FTEs	11.0	6,246,700
Material management programs—FTEs	121.0	25,048,000
GROSS APPROPRIATION	\$	31,294,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from Michigan department of state police		1,541,600
Federal revenues:		
Federal funds		7,198,700
Special revenue funds:		
Private funds		649,000
Clean Michigan initiative, pollution prevention activities		731,800
Cleanup and redevelopment fund		1,043,800
Coal ash care fund		262,100
Community pollution prevention fund		250,000
Electronic waste recycling fund		326,100
Energy efficiency and renewable energy revolving loan fund		250,100
Environmental pollution prevention fund		4,055,600
Medical waste emergency response fund		399,600
Public utility assessments		1,795,400
Retired engineers technical assistance program fund		491,200
Scrap tire regulatory fund		4,987,500
Small business pollution prevention revolving loan fund		134,400
Solid waste management fund - staff account		6,000,900
Technologically enhanced naturally occurring radioactive material		452,200
State general fund/general purpose	\$	724,700
Sec. 111. OIL, GAS, AND MINERALS DIVISION		
Full-time equated classified positions	63.0	
Oil, gas, and mineral services—FTEs	63.0\$	22,469,700
GROSS APPROPRIATION	\$	22,469,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs		223,100
Federal revenues:		
Federal funds		5,304,200
Special revenue funds:		
Metallic mining surveillance fee revenue		92,500
Mineral well regulatory fee revenue		214,200
Native copper mine fund		50,000
Nonferrous metallic mineral surveillance		377,400
Oil and gas regulatory fund		3,794,500
Orphan well fund		2,340,300
Sand extraction fee revenue		89,600
State general fund/general purpose	\$	9,983,900
Sec. 112. WATER INFRASTRUCTURE		
Full-time equated classified positions	29.0	
Lead service line replacement	\$	8,601,300
Municipal assistance—FTEs	29.0	4,988,200
Water state revolving funds		400,500,000
GROSS APPROPRIATION	\$	414,089,500

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
Federal revenues:	
Federal funds	\$ 353,776,200
Special revenue funds:	
Revolving loan revenue bonds	15,000,000
Water pollution control revolving fund	758,800
State general fund/general purpose	\$ 44,554,500
Sec. 113. ONE-TIME APPROPRIATIONS	
Carbon emissions tracking software and services	1,700,000
Contaminated site remediation and redevelopment	55,000,000
Critical mineral recycling research hub	5,000,000
Dam risk reduction program	1,800,000
Delineation of critical sand dunes	2,500,000
Environmental justice contaminated site clean-up	20,000,000
Geologic core facility	2,985,200
Groundwater data collection	15,000,000
Renewable-ready communities program	30,000,000
Reverse vending machine technology	2,000,000
Sustainable business park	5,000,000
Transfer facility	1,000,000
Water infrastructure reserve fund	5,000,000
Water project inflation	15,000,000
Water and energy nexus research	2,500,000
Water career and workforce development pilot	100,000
GROSS APPROPRIATION	\$ 164,585,200
Appropriated from:	
Federal revenues:	
Federal funds	
Special revenue funds:	
Cleanup and redevelopment fund	55,000,000
State general fund/general purpose	\$ 109,585,200

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2024 is \$604,918,900.00 and state spending from state sources to be paid to local units of government for the fiscal year ending September 30, 2024 is \$43,592,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY	
Brownfield grants	\$ 1,000,000
Dam risk reduction program	1,800,000
Emergency cleanup actions	116,000
Environmental health	400,000
Environmental sustainability and stewardship	100,000
Lead service line replacement	8,601,300
Medical waste program	70,000
Noncommunity water grants	2,500,000
Pollution prevention	200,000
Renewing Michigan’s environment program	20,000,000
Scrap tire grants	1,000,000
Septage waste compliance grants	130,000
Surface water	200,000

	For Fiscal Year Ending Sept. 30, 2024
Sustainable business park	\$ 5,000,000
Technology advancements for water monitoring	500,000
Transfer facility	1,000,000
Water career and workforce development pilot	100,000
Water withdrawal assessment program	875,000
TOTAL	\$ 43,592,300

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 environment, Great Lakes, and energy.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “IDG” means interdepartmental grant.
- (e) “NPDES” means the national pollutant discharge elimination system.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the senate and house of representatives appropriations subcommittees on environment, Great Lakes, and energy, the senate and house of representatives fiscal agencies, the senate and house of representatives policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) Funds appropriated in part 1 must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service, or a prisoner, for communicating with a member of the legislature or the member’s staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The department shall submit the report to the senate and house appropriations committees and to report recipients required in section 205 of this part. The report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. The department shall not use funds appropriated in part 1 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 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.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 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. 212. 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 the department:

(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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on the department of environment, Great Lakes, and energy, 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 prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive 2019-08.

Sec. 217. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on natural resources and environment, Great Lakes, and energy, and the senate and house fiscal agencies the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 221. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. The department shall report not later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, to the joint committee on administrative rules, and to the report recipients required in section 205 of this part.

Sec. 223. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees and the report recipients required in section 205 of this part any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, “severance pay” means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 225. To the extent possible, the department shall not expend appropriations in part 1 until all existing work project authorization available for the same purposes is exhausted.

Sec. 226. (1) The department shall not use funds appropriated under part 1 to restrict or impede a marginalized community’s access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 227. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of the environmental cleanup and redevelopment program, environmental cleanup support, contaminated site cleanup, contaminated site cleanup contingency reserve, premcor remediation activities, PFAS remediation grant program the renew Michigan program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107, are appropriated for expenditure.

(3) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, and 2022 PA 166 are appropriated for expenditure.

(4) 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, 2016 PA 268, 2017 PA 107, and 2018 PA 207, are appropriated for expenditure.

(5) For the strategic water quality initiatives fund, funds not yet disbursed are appropriated for expenditure for the same program under sections 5201, 5202, and 5204e of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201, 324.5202, and 324.5204e.

(6) Unexpended and unencumbered amounts remaining from the appropriations from the renew Michigan fund contained in 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, and 2022 PA 166 are appropriated for expenditure.

(7) Unexpended and unencumbered amounts remaining from the appropriations from the general fund contained in 2021 PA 87 and 2022 PA 166 are appropriated for expenditure.

(8) Unexpended and unencumbered amounts remaining from the appropriations from the contaminated site cleanup contingency fund contained in 2021 PA 87 and 2022 PA 166, are appropriated for expenditure.

Sec. 228. Revenues remaining in the settlements fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 235. (1) Semiannually, the department shall prepare a report that contains information pertaining to all remediation and redevelopment efforts funded from part 1.

(2) The report must contain the following information:

(a) List of sites where work is planned to occur, including the county for each site.

(b) The type of site, whether refined petroleum cleanup, nonrefined petroleum cleanup, brownfield, or a combination of types.

(c) A brief description of how the issue will be addressed, including whether contractors will be utilized.

(d) The estimated date for project completion.

(e) The amount and funding source or sources allocated to the site.

(3) The report shall be submitted to the house of representatives and senate subcommittees on the environment, Great Lakes, and energy and the state budget director.

Sec. 236. The department shall annually provide a report to the senate and house of representatives appropriations committees and the report recipients required in section 205 of this part detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the following:

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

(b) The purpose for each expenditure.

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

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

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

Sec. 238. The department shall annually submit a report to the standing committees and appropriations subcommittees of the senate and house of representatives with primary responsibility for issues under the jurisdiction of the department that details departmental activities of the most recent fiscal year in administering permitting programs. The report shall include, at a minimum, all of the following:

- (a) The number of FTEs assigned to each permitting program and the number of unfilled positions at the beginning and end of the most recent fiscal year.
- (b) The number of permit applications received by the department in the preceding year, including applications for new and increased uses and reissuances.
- (c) The number of permits for each program approved.
- (d) The number of permits for each program denied.
- (e) The percentage and number of permit applications that were reviewed for administrative completeness within statutory time frames.
- (f) The percentage and number of permit applications for which a final action was taken by the department within statutory time frames for new and increased uses and reissuances.
- (g) Activities to reduce any backlog of permits exceeding the statutory time frames and the average time frame for permit approvals for each program.
- (h) Activities to reduce the percentage of permit applications submitted as incomplete, in need of modification, or additional information before final determination.
- (i) Under conditions in which the department states a permit is incomplete or denied, the department shall provide an explanation as to the reason or reasons the permit is insufficient and how the permit can be strengthened or made complete.

Sec. 242. If the department responds to a significant incident to protect life or property, within 12 hours after the department response to a significant incident at a site in this state, the department shall notify the senate and house of representatives members whose district includes the site in writing.

Sec. 244. In expending federal funds, the department shall comply with the requirements of the Justice40 Initiative, where applicable.

Sec. 245. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
 - (b) How the funds will be administered and expended.
- (2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):
- (a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).
 - (b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.
 - (c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.
 - (d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.
 - (e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and the specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
 - (b) Decline to execute the grant agreement.
- (4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:
- (a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

REMEDATION AND REDEVELOPMENT DIVISION

Sec. 301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 302. The unexpended funds appropriated in part 1 for brownfield grants, contaminated site cleanup, emergency cleanup actions, environmental cleanup and redevelopment program, environmental cleanup support, and the refined petroleum product cleanup program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

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

(b) The projects will be accomplished by utilizing contracts with service providers.

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

(d) The tentative completion date is September 30, 2028.

Sec. 303. (1) Upon approval by the state budget director, the department may expend from the general fund of the state an amount to meet the cash-flow requirements of projects funded under any of the following that are financed from bond proceeds and for which bonds have been authorized but not yet issued:

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

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

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

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

Sec. 304. (1) In addition to the money appropriated in part 1, the department may receive and expend money from the subaccounts of the cleanup and redevelopment fund as described under section 20108 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108, including the environmental response fund or the natural resource damages fund, to provide funding for actions by the department that are authorized by a court of competent jurisdiction and set forth in a final court order or judgment in an action to which the department is a party.

(2) By January 30, the department shall submit a report to the appropriations subcommittees, the fiscal agencies, and the state budget office that provides a summary of the expenditures incurred under this section during the preceding fiscal year.

WATER RESOURCES DIVISION

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11721, then the department may spend funds appropriated in part 1 for drinking water and environmental health in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 410. From the funds appropriated in part 1, the department shall compile a report by November 1 of every fiscal year ending in an odd number on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

(a) An estimated cost of removal of total phosphorus per pound at the 4 major wastewater treatment plants.

(b) A description of the grants that have been awarded.

(c) A description of the work that has commenced on the issue of dissolved reactive phosphorus, the expected objectives and outcomes of that work, and a list of the parties involved in that effort.

(d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

UNDERGROUND STORAGE TANK AUTHORITY

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to provide underground storage tank cleanup.

(b) The project will be accomplished by utilizing contracts with service providers.

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

(d) The tentative completion date is September 30, 2028.

RENEWING MICHIGAN'S ENVIRONMENT

Sec. 801. The unexpended funds appropriated in part 1 for the renewing Michigan's environment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is for environmental cleanup and redevelopment, waste management, and recycling.

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

(c) The total estimated cost of the project is \$69,000,000.00.

(d) The tentative completion date is September 30, 2028.

MATERIALS MANAGEMENT DIVISION

Sec. 901. In addition to the money appropriated in part 1, the department may receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to provide funding for activities as outlined within the State's Mitigation Plan. The department shall prepare a report to the appropriations subcommittees, the fiscal agencies, and the state budget office by February 1, 2025 of the expenditures incurred under this section during the fiscal year ending September 30, 2024.

WATER INFRASTRUCTURE

Sec. 951. The funds appropriated in part 1 for lead service line replacement must be used to support lead line replacement and associated activities, including, but not limited to, water main replacement to promote coordinated water infrastructure work in overburdened and significantly overburdened communities, as those terms are defined by the department in accordance with the requirements under parts 53 and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

ONE-TIME APPROPRIATIONS

Sec. 1001. (1) The funds appropriated in part 1 for critical mineral recycling research hub shall be used to support research into the reuse of critical materials for clean energy production. These funds may be used as grants to entities involved in the research, development, or demonstration of concepts or projects intended to create innovative and practical approaches to increase the reuse and recycling of batteries and other critical minerals. These funds may also be used as matching grants to a public or private college or university in this state that grants baccalaureate degrees and that studies the opportunities to recycle and innovate and maximize the use of critical minerals from electric vehicles and other battery storage units. The program shall be structured as follows:

(a) Matching grants will be provided to public or private colleges or universities in this state that grant baccalaureate degrees and that are studying the opportunities to recycle and innovate and maximize the use of critical minerals from electric vehicles and other battery storage units.

(b) The maximum award for a grant shall be \$5,000,000.00 per project.

(c) No more than 5% of the appropriated funds may be used by the department for administrative costs.

(2) The unexpended funds appropriated in part 1 for critical mineral recycling research hub are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to create a critical mineral recycling research hub to research the reuse of critical materials for clean energy production.

(b) The projects will be accomplished by utilizing state employees or contracts with 14 service providers, or both.

(c) The total estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1002. From the funds appropriated in part 1 for dam risk reduction, the department shall award a grant to a township with a population between 990 and 1,000 in a county with a population between 66,000 and 66,100 according to the most recent federal decennial census to develop fish-passable rapids.

Sec. 1003. From the funds appropriated in part 1 for delineation of critical sand dunes, the department shall conduct a delineation of sand dunes in this state and assess critical dune areas.

Sec. 1004. (1) The funds appropriated in part 1 for environmental justice – public health protection must be used to support activities designed to reduce environmental health burdens in communities experiencing elevated exposure to environmental pollutants due to their proximity to contaminated properties and emitting sources as identified by the department's office of environmental justice public advocate. The funds must be used for any of the purposes under subsection (2).

(2) Funds allocated in accordance with subsection (1) must be used for the following purposes:

(a) To provide grants to increase monitoring of background levels of pollutants within environmental justice communities to be administered by the department or other parties.

(b) To provide grants for equipment designed to improve air quality within schools or day care centers in environmental justice communities.

(c) To provide grants to fund community improvement projects designed to improve public health such as the development and maintenance of green spaces or other projects designed to improve community public health in environmental justice communities.

(d) To provide grants for the remediation and redevelopment of contaminated or blighted sites identified by the department in environmental justice communities, as determined by the department's office of environmental justice public advocate.

(3) Not more than \$500,000.00 may be granted to a single recipient under subsection (2). This subsection does not apply to grants administered by the department.

(4) The unexpended portion of funds appropriated for environmental justice – public health protection is designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. 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 project is to remediate and redevelop sites of contamination and improve public health impacts related to environmental pollution in environmental justice communities.

(b) The project will be accomplished by utilizing state resources, contracts, or grants.

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

(d) The tentative completion date is September 30, 2028.

Sec. 1005. The unexpended funds appropriated in part 1 for groundwater data collection are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to acquire data and perform research on the groundwater resources of this state.

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

(c) The total estimated cost of the project is \$15,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1006. (1) The department shall work with representatives of the Michigan public service commission and the Michigan economic development corporation to develop criteria for awards, application materials, and decisions regarding the renewable-ready communities program that provides grants for eligible energy projects under this section.

(2) For the purposes of this section, an eligible renewable energy project must have a nameplate capacity of at least 20 megawatts. All grants under this section must incentivize the development of projects of at least 20 megawatts.

(3) In the award of grants, the department shall award at least \$5,000.00 per megawatt of nameplate capacity. Grants under this program must not be made to communities outside this state.

(4) The department shall award not more than \$3,000,000.00 for an eligible renewable energy project.

(5) The unexpended funds appropriated for the renewable-ready communities program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is to incentivize communities in this state to host eligible renewable energy projects, which may incorporate energy storage components.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both, to administer a grant program for local communities.

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

(d) The tentative completion date for the work project is December 31, 2028.

(6) The department shall expend not more than 5% from the funds appropriated in part 1 for the renewable-ready communities program for administrative purposes.

Sec. 1007. From the funds appropriated in part 1 for transfer facility, the department shall award a grant to a city with a population between 9,100 and 9,200 in a county with a population between 154,300 and 154,350 according to the most recent federal decennial census to establish a waste and recycling transfer station.

Sec. 1008. From the funds appropriated in part 1 for water and energy nexus research, matching grants must be provided to a public or private college or university in this state that grants baccalaureate degrees studying emerging, responsible clean energy technologies that maximize this state's water resources including, but not limited to, geothermal, heat pumps, pump storage, and small-scale hydroelectric power.

Sec. 1009. From the funds appropriated in part 1 for water career and workforce development pilot, the department shall award a grant to a city with a population between 9,100 and 9,200 in a county with a population between 154,300 and 154,350 according to the most recent federal decennial census to establish a water career and workforce development pilot program to train water treatment plant operators.

Sec. 1010. From the funds in part 1 for reverse vending machine technology, the department shall award funding as follows:

(a) \$1,000,000.00 must be awarded to modernize and improve convenience under 1976 IL 1, MCL 445.571 to 445.576, by providing and installing reverse vending machines for deposit container redemption to a company providing reverse vending machine technologies to and that is engaged in the joint operation of a deposit container transportation and processing facility located in a township with a population between 16,500 and 17,500 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(b) \$1,000,000.00 must be awarded for public education to increase this state’s beverage container deposit redemption rate and to support investments in collection and processing of beverage containers subject to 1976 IL 1, MCL 445.571 to 445.576, to a company that was incorporated in 1968, processes used beverage containers, and is based in a county with a population between 255,000 and 265,000 according to the most recent federal decennial census.

Sec. 1011. From the funds appropriated in part 1 for carbon emissions tracking software and services, the department shall collaborate with the department of technology, management, and budget to develop a carbon management platform.

Sec. 1012. The funds appropriated in part 1 for sustainable business park shall be awarded to a county department of public works located in a county with a population greater than 600,000 and less than 700,000 according to the most recent federal decennial census to assist infrastructure necessary to develop a sustainable business park that will replace the need for new landfills.

Sec. 1013. The funds appropriated in part 1 for a water infrastructure reserve fund shall be used for municipal water infrastructure needs and 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.

ARTICLE 5
GENERAL GOVERNMENT
PART 1
LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

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, and certain state purposes related thereto for the fiscal year ending September 30, 2024, from the following funds:

TOTAL GENERAL GOVERNMENT	
APPROPRIATION SUMMARY	
Full-time equated unclassified positions	44.0
Full-time equated classified positions	7,688.1
GROSS APPROPRIATION	\$ 5,407,443,500
Total interdepartmental grants and intradepartmental transfers	1,156,861,300
ADJUSTED GROSS APPROPRIATION	\$ 4,250,582,200
Federal revenues:	
Total federal revenues	44,035,500
Special revenue funds:	
Total local revenues	17,372,800
Total private revenues	684,800
Total other state restricted revenues	2,629,280,600
State general fund/general purpose	\$ 1,559,208,500
Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
(1) APPROPRIATION SUMMARY	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	605.4
GROSS APPROPRIATION	\$ 142,798,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	36,235,500
ADJUSTED GROSS APPROPRIATION	\$ 106,562,900
Federal revenues:	
Total federal revenues	10,063,800

	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues	\$	20,773,100
State general fund/general purpose	\$	75,726,000
(2) ATTORNEY GENERAL OPERATIONS		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	605.4	
Attorney general	\$	112,500
Unclassified salaries—FTEs	5.0	918,300
Child support enforcement—FTEs	25.0	3,733,400
Operations—FTEs	560.4	109,937,500
Prosecuting attorneys coordinating council—FTEs	14.0	2,702,400
Public safety initiative—FTE	1.0	888,300
Sexual assault law enforcement—FTEs	5.0	1,463,600
GROSS APPROPRIATION	\$	119,756,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOC		712,600
IDG from MDE		801,900
IDG from EGLE		2,375,200
IDG from MDHHS, health policy		318,700
IDG from MDHHS, human services		6,642,100
IDG from MDHHS, medical services administration		746,000
IDG from MDHHS, WIC		357,000
IDG from MDIFS, financial and insurance services		1,240,800
IDG from LEO, Michigan occupational safety and health administration		202,200
IDG from LEO, workforce development		96,400
IDG from MDLARA, bureau of marijuana regulatory agency		1,681,400
IDG from MDLARA, fireworks safety fund		87,800
IDG from MDLARA, health professions		3,286,300
IDG from MDLARA, licensing and regulation fees		769,900
IDG from MDLARA, remonumentation fees		115,300
IDG from MDLARA, securities fees		759,200
IDG from MDLARA, unlicensed builders		1,151,400
IDG from MDMVA		177,500
IDG from MDOS, children's protection registry		45,000
IDG from MDOT, comprehensive transportation fund		109,500
IDG from MDOT, state aeronautics fund		191,200
IDG from MDOT, state trunkline fund		2,170,600
IDG from MDSP		281,400
IDG from MDTMB		1,302,500
IDG from MDTMB, civil service commission		331,400
IDG from MDTMB, risk management revolving fund		1,368,500
IDG from Michigan state housing development authority		1,250,200
IDG from Michigan strategic fund		196,100
IDG from treasury		7,467,400
Federal revenues:		
DAG, state administrative match grant/food stamps		137,000
Federal funds		3,368,800
HHS, medical assistance, medigant		405,800
HHS-OS, state Medicaid fraud control units		6,031,000
National criminal history improvement program		121,200

	For Fiscal Year Ending Sept. 30, 2024
Special revenue funds:	
Antitrust enforcement collections	\$ 826,200
Attorney general's operations fund	1,118,200
Auto repair facilities fees	357,400
Franchise fees	414,800
Game and fish protection fund	669,800
Human trafficking commission fund	170,000
Lawsuit settlement proceeds fund	2,661,300
Liquor purchase revolving fund	1,595,100
Michigan employment security act - administrative fund	2,420,900
Michigan merit award trust fund	528,700
Michigan state waterways fund	148,400
Mobile home code fund	266,400
Prisoner reimbursement	562,400
Prosecuting attorneys training fees	455,100
Public utility assessments	2,144,200
Reinstatement fees	278,400
Retirement funds	1,131,400
Second injury fund	646,400
Self-insurers security fund	397,500
Silicosis and dust disease fund	114,100
State building authority revenue	130,700
State casino gaming fund	1,922,500
State lottery fund	377,400
Utility consumer representation fund	1,041,100
Worker's compensation administrative revolving fund	394,700
State general fund/general purpose	\$ 52,683,600
(3) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 1,642,400
GROSS APPROPRIATION	\$ 1,642,400
Appropriated from:	
State general fund/general purpose	\$ 1,642,400
(4) ONE-TIME APPROPRIATIONS	
Gun case backlog	\$ 10,000,000
Local prosecutors NextGen data integration	10,000,000
Sexual assault cases and victim advocacy	1,400,000
GROSS APPROPRIATION	\$ 21,400,000
Appropriated from:	
State general fund/general purpose	\$ 21,400,000
Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
(1) APPROPRIATION SUMMARY	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	160.0
GROSS APPROPRIATION	\$ 31,710,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 31,710,000
Federal revenues:	
Total federal revenues	2,890,900
Special revenue funds:	
Total local revenues	0
Total private revenues	18,700
Total other state restricted revenues	58,500
State general fund/general purpose	\$ 28,741,900

For Fiscal Year
Ending Sept. 30,
2024

(2) CIVIL RIGHTS OPERATIONS

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	160.0	
Unclassified salaries—FTEs	6.0\$	804,300
Complaint investigation and enforcement—FTEs	113.0	16,872,200
Division on deaf, deafblind, and hard of hearing—FTEs	6.0	739,400
Executive office—FTEs	26.0	3,420,300
Museums support		1,500,000
Public affairs—FTEs	15.0	2,606,400
GROSS APPROPRIATION	\$	25,942,600

Appropriated from:

Federal revenues:

EEOC, state and local antidiscrimination agency contracts 1,253,700

HUD, grant 1,622,200

Special revenue funds:

Private revenues 18,700

State restricted indirect funds 58,500

State general fund/general purpose \$ 22,989,500

(3) INFORMATION TECHNOLOGY

Information technology services and projects	\$	767,400
GROSS APPROPRIATION	\$	767,400

Appropriated from:

Federal revenues:

EEOC, state and local antidiscrimination agency contracts 15,000

State general fund/general purpose \$ 752,400

(4) ONE-TIME APPROPRIATIONS

Complaint investigation and enforcement	\$	2,750,000
ELCRA expansion		2,000,000
Public affairs		250,000
GROSS APPROPRIATION	\$	5,000,000

Appropriated from:

State general fund/general purpose \$ 5,000,000

Sec. 104. EXECUTIVE OFFICE**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions	10.0	
Full-time equated classified positions	86.2	
GROSS APPROPRIATION	\$	8,905,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 0

ADJUSTED GROSS APPROPRIATION \$ 8,905,400

Federal revenues:

Total federal revenues 0

Special revenue funds:

Total local revenues 0

Total private revenues 0

Total other state restricted revenues 0

State general fund/general purpose \$ 8,905,400

(2) EXECUTIVE OFFICE OPERATIONS

Full-time equated unclassified positions	8.0	
Full-time equated classified positions	86.2	
Unclassified salaries—FTE positions	8.0\$	1,544,600
Governor		159,300
Lieutenant governor		111,600

		For Fiscal Year Ending Sept. 30, 2024
Executive office—FTEs	86.2	7,089,900
GROSS APPROPRIATION	\$	8,905,400
Appropriated from:		
State general fund/general purpose	\$	8,905,400
Sec. 105. LEGISLATURE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	222,094,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		6,921,900
ADJUSTED GROSS APPROPRIATION	\$	215,172,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		445,400
Total other state restricted revenues		7,585,900
State general fund/general purpose	\$	207,140,800
(2) LEGISLATURE		
Senate	\$	48,134,100
Senate automated data processing		3,042,100
Senate fiscal agency		4,510,800
Senate census tracking/reapportionment		125,000
House of representatives		70,689,300
House automated data processing		3,042,100
House fiscal agency		4,510,800
House of representatives census tracking/reapportionment		125,000
GROSS APPROPRIATION	\$	134,179,200
Appropriated from:		
State general fund/general purpose	\$	134,179,200
(3) LEGISLATIVE COUNCIL		
Independent citizens redistricting commission	\$	3,331,200
Legislative corrections ombudsman		1,510,300
Legislative council		15,688,100
Legislative service bureau automated data processing		3,535,300
Michigan veterans' facility ombudsman		351,000
National association dues		670,200
Sentencing commission		1,000,000
Worker's compensation		168,700
GROSS APPROPRIATION	\$	26,254,800
Appropriated from:		
State general fund/general purpose	\$	26,254,800
(4) LEGISLATIVE RETIREMENT SYSTEM		
General nonretirement expenses	\$	5,981,000
GROSS APPROPRIATION	\$	5,981,000
Appropriated from:		
Special revenue funds:		
Court fees		1,391,800
State general fund/general purpose	\$	4,589,200
(5) PROPERTY MANAGEMENT		
Binsfeld Office Building and other properties	\$	9,395,200
Cora Anderson Building		6,500,000
GROSS APPROPRIATION	\$	15,895,200
Appropriated from:		
State general fund/general purpose	\$	15,895,200

	For Fiscal Year Ending Sept. 30, 2024
(6) STATE CAPITOL HISTORIC SITE	
Bond/lease obligations	\$ 100
General operations	6,261,000
Restoration, renewal, and maintenance	3,772,500
GROSS APPROPRIATION	\$ 10,033,600
Appropriated from:	
Special revenue funds:	
Private - gifts and bequests	445,400
Capitol historic site fund	3,772,500
State general fund/general purpose	\$ 5,815,700
(7) OFFICE OF THE AUDITOR GENERAL	
Unclassified positions	\$ 412,900
Field operations	29,337,300
GROSS APPROPRIATION	\$ 29,750,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG, commercial mobile radio system emergency telephone fund	42,500
IDG, contract audit administration fees	72,800
IDG, deferred compensation funds	104,600
IDG, emp ben div postemployment life insurance benefit	21,800
IDG from LEO, self-insurers security fund	92,300
IDG from DHHS, human services	35,400
IDG from MDLARA, liquor purchase revolving fund	110,900
IDG from MDMVA, Michigan veterans' facility authority	56,600
IDG from MDOT, comprehensive transportation fund	44,900
IDG from MDOT, Michigan transportation fund	364,200
IDG from MDOT, state aeronautics fund	35,200
IDG from MDOT, state trunkline fund	846,000
IDG, legislative retirement system	31,900
IDG, Michigan economic development corporation	130,500
IDG, Michigan education trust fund	67,000
IDG, Michigan finance authority	321,900
IDG, Michigan justice training commission fund	47,200
IDG, Michigan strategic fund	212,100
IDG, office of retirement services	964,600
IDG, other restricted funding sources	25,000
IDG, single audit act	3,214,500
IDG, state sponsored group insurance fund	80,000
Special revenue funds:	
21st century jobs trust fund	111,200
Brownfield development fund	32,600
Clean Michigan initiative implementation bond fund	62,900
Game and fish protection fund	36,200
MDTMB, civil service commission	205,100
Michigan state housing development authority fees	131,000
Michigan veterans' trust fund	2,000
Michigan veterans' trust fund income and assessments	23,000
Motor transport revolving fund	8,500
Office services revolving fund	11,700
State disbursement unit, office of child support	66,100
State services fee fund	1,718,200
Waterways fund	13,100
State general fund/general purpose	\$ 20,406,700

	For Fiscal Year Ending Sept. 30, 2024	
Sec. 106. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,619.0	
GROSS APPROPRIATION	\$	304,209,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		20,000,000
ADJUSTED GROSS APPROPRIATION	\$	284,209,500
Federal revenues:		
Total federal revenues		1,460,000
Special revenue funds:		
Total local revenues		0
Total private revenues		50,100
Total other state restricted revenues		269,374,700
State general fund/general purpose	\$	13,324,700
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	130.0	
Secretary of state	\$	112,500
Unclassified salaries—FTEs	5.0	765,900
Executive direction—FTEs	30.0	4,813,600
Operations—FTEs	100.0	25,028,300
Property management		10,633,000
Worker’s compensation		158,500
GROSS APPROPRIATION	\$	41,511,800
Appropriated from:		
Special revenue funds:		
Abandoned vehicle fees		239,800
Auto repair facilities fees		130,400
Children’s protection registry fund		270,700
Driver fees		2,605,700
Enhanced driver license and enhanced official state personal identification card fund		2,007,100
Parking ticket court fines		13,600
Personal identification card fees		288,100
Scrap tire fund		78,600
Transportation administration collection fund		34,860,600
State general fund/general purpose	\$	1,017,200
(3) LEGAL SERVICES		
Full-time equated classified positions	161.0	
Operations—FTEs	161.0\$	22,120,900
GROSS APPROPRIATION	\$	22,120,900
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		3,105,100
Driver education provider and instructor fund		150,000
Driver fees		1,621,000
Enhanced driver license and enhanced official state personal identification card fund		2,782,100
Reinstatement fees - operator licenses		590,200
Transportation administration collection fund		11,731,500
Vehicle theft prevention fees		733,400
State general fund/general purpose	\$	1,407,600

	For Fiscal Year Ending Sept. 30, 2024	
(4) CUSTOMER DELIVERY SERVICES		
Full-time equated classified positions	1,263.0	
Branch operations—FTEs	926.0\$	94,328,400
Central operations—FTEs	335.0	50,501,100
Digital ID		100,000
Motorcycle safety education administration—FTEs	2.0	649,500
Motorcycle safety education grants		2,100,000
Organ donor program		129,100
GROSS APPROPRIATION	\$	147,808,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		20,000,000
Federal revenues:		
DOT		860,000
OHSP		600,000
Special revenue funds:		
Private funds		100
Thomas Daley gift of life fund		50,000
Abandoned vehicle fees		450,900
Auto repair facilities fees		763,700
Child support clearance fees		200,000
Driver fees		22,441,300
Driver improvement course fund		1,219,800
Enhanced driver license and enhanced official state personal identification card fund		12,446,100
Expedient service fees		2,951,000
Marine safety fund		1,579,000
Michigan state police auto theft fund		123,000
Mobile home commission fees		507,500
Motorcycle safety and education awareness fund		350,000
Motorcycle safety fund		2,099,500
Off-road vehicle title fees		170,700
Parking ticket court fines		700,800
Personal identification card fees		2,372,600
Recreation passport fee revenue		1,000,000
Reinstatement fees - operator licenses		1,414,100
Snowmobile registration fee revenue		390,000
Transportation administration collection fund		72,359,200
Vehicle theft prevention fees		786,000
State general fund/general purpose	\$	1,972,800
(5) ELECTION REGULATION		
Full-time equated classified positions	65.0	
County clerk education and training fund	\$	100,000
Election administration and services—FTEs	65.0	26,331,500
Fees to local units		109,800
GROSS APPROPRIATION	\$	26,541,300
Appropriated from:		
Special revenue funds:		
Election administration support fund		18,765,400
Notary education and training fund		100,000
Notary fee fund		343,500
State general fund/general purpose	\$	7,332,400

	For Fiscal Year Ending Sept. 30, 2024	
(6) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	38,918,200
GROSS APPROPRIATION	\$	38,918,200
Appropriated from:		
Special revenue funds:		
Administrative order processing fee		11,800
Auto repair facilities fees		129,800
Driver fees		789,600
Enhanced driver license and enhanced official state personal identification card fund		350,100
Expedient service fees		1,100,000
Parking ticket court fines		89,300
Personal identification card fees		174,000
Transportation administration collection fund		34,597,200
Vehicle theft prevention fees		181,700
State general fund/general purpose	\$	1,494,700
(7) ONE-TIME APPROPRIATIONS		
Election administration and services	\$	27,209,200
Organ donor registration		100,000
GROSS APPROPRIATION	\$	27,309,200
Appropriated from:		
Special revenue funds:		
Election administration support fund		27,209,200
State general fund/general purpose	\$	100,000
Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,214.0	
GROSS APPROPRIATION	\$	2,056,657,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,082,606,600
ADJUSTED GROSS APPROPRIATION	\$	974,051,000
Federal revenues:		
Total federal revenues		4,699,000
Special revenue funds:		
Total local revenues		2,334,700
Total private revenues		137,400
Total other state restricted revenues		134,180,400
State general fund/general purpose	\$	832,699,500
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	905.5	
Unclassified salaries—FTEs	6.0\$	1,049,100
Administrative services—FTEs	178.5	26,978,600
Budget and financial management—FTEs	188.0	41,783,100
Building operation services—FTEs	266.0	103,968,000
Business support services—FTEs	110.0	15,419,000
Design and construction services—FTEs	54.0	9,229,900
Executive operations—FTEs	12.0	2,451,600
Michigan center for data and analytics—FTEs	44.0	7,480,200
Motor vehicle fleet—FTEs	39.0	87,709,000
Office of the state employer—FTEs	14.0	1,754,700

	For Fiscal Year Ending Sept. 30, 2024	
Property management	\$	9,283,000
State fleet electric vehicle transition		1,000,000
GROSS APPROPRIATION	\$	308,106,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service centers user charges		6,399,800
IDG from building occupancy and parking charges		106,234,600
IDG from MDHHS, community health		513,400
IDG from MDHHS, human services		240,700
IDG from MDLARA		100,000
IDG from motor transport fund		87,709,000
IDG from technology user fees		10,972,900
IDG from user fees		9,315,300
Federal revenues:		
Federal funds		4,699,000
Special revenue funds:		
Local funds		35,000
Local - MPSCS subscriber and maintenance fees		21,900
Private funds		137,400
Health management funds		431,900
Other agency charges		1,276,700
SIGMA user fees		2,450,500
Special revenue, internal service, and pension trust funds		19,924,100
State restricted indirect funds		3,219,300
State general fund/general purpose	\$	54,424,700
(3) TECHNOLOGY SERVICES		
Full-time equated classified positions	1,646.5	
Enterprise identity management—FTEs	25.0\$	14,734,100
Homeland security initiative/cyber security—FTEs	44.0	17,295,000
Information technology investment fund		35,000,000
Information technology services—FTEs	1,440.5	855,288,000
Michigan public safety communication system—FTEs	137.0	48,894,800
GROSS APPROPRIATION	\$	971,211,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from technology user fees		855,288,000
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees		2,277,800
State general fund/general purpose	\$	113,646,100
(4) STATEWIDE APPROPRIATIONS		
Professional development fund - AFSCME	\$	50,000
Professional development fund - MPE, SEIU, scientific and engineering unit		100,000
Professional development fund - MPE, SEIU, technical unit		50,000
Professional development fund - NEREs		200,000
Professional development fund - UAW		700,000
GROSS APPROPRIATION	\$	1,100,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from employer contributions		1,100,000
State general fund/general purpose	\$	0
(5) SPECIAL PROGRAMS		
Full-time equated classified positions	189.0	
Capital city services		1,000,000

	For Fiscal Year Ending Sept. 30, 2024	
Office of the child advocate—FTEs	22.0\$	3,749,600
Property management executive/legislative		1,348,200
Retirement services—FTEs	167.0	26,139,500
GROSS APPROPRIATION	\$	32,237,300
Appropriated from:		
Special revenue funds:		
Deferred compensation		3,200,000
Pension trust funds		22,846,500
State general fund/general purpose	\$	6,190,800
(6) STATE BUILDING AUTHORITY RENT		
State building authority rent - community colleges	\$	33,081,600
State building authority rent - state agencies		68,893,700
State building authority rent - universities		134,595,300
GROSS APPROPRIATION	\$	236,570,600
Appropriated from:		
State general fund/general purpose	\$	236,570,600
(7) CIVIL SERVICE COMMISSION		
Full-time equated classified positions	473.0	
Agency services—FTEs	113.0\$	17,666,600
Employee benefits—FTEs	27.0	6,425,700
Executive direction—FTEs	40.0	10,160,900
Human resources operations—FTEs	293.0	37,983,100
Information technology services and projects		4,104,000
GROSS APPROPRIATION	\$	76,340,300
Appropriated from:		
Special revenue funds:		
State restricted funds 1%		30,922,700
State restricted indirect funds		9,752,900
State sponsored group insurance		9,666,800
State general fund/general purpose	\$	25,997,900
(8) CAPITAL OUTLAY		
Enterprisewide special maintenance for state facilities	\$	28,000,000
Major special maintenance, remodeling, and addition for state agencies		3,800,000
GROSS APPROPRIATION	\$	31,800,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy charges		3,800,000
State general fund/general purpose	\$	28,000,000
(9) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	48,793,500
GROSS APPROPRIATION	\$	48,793,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy and parking charges		723,200
IDG from user fees		209,700
Special revenue funds:		
Deferred compensation		2,600
Pension trust funds		11,114,900
SIGMA user fees		2,781,000
Special revenue, internal service, and pension trust funds		2,706,500
State restricted indirect funds		2,083,900
State general fund/general purpose	\$	29,171,700

	For Fiscal Year Ending Sept. 30, 2024	
(10) ONE-TIME APPROPRIATIONS		
Enterprisewide special maintenance for state facilities	\$	25,000,000
Information technology investment fund		17,892,000
Make it in Michigan		100
Make it in Michigan competitiveness fund		286,805,700
Next generation management training		5,000,000
Retirement information technology modernization project		11,800,000
Vendor cybersecurity monitoring		4,000,000
GROSS APPROPRIATION	\$	350,497,800
Appropriated from:		
Special revenue funds:		
Make it in Michigan competitiveness fund		100
Pension trust funds		11,800,000
State general fund/general purpose	\$	338,697,700
Sec. 108. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	2,003.5	
GROSS APPROPRIATION	\$	2,641,068,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		11,097,300
ADJUSTED GROSS APPROPRIATION	\$	2,629,971,300
Federal revenues:		
Total federal revenues		24,921,800
Special revenue funds:		
Total local revenues		15,038,100
Total private revenues		33,200
Total other state restricted revenues		2,197,308,000
State general fund/general purpose	\$	392,670,200
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	448.5	
Unclassified salaries—FTEs	10.0\$	1,212,400
Bureau of accounting and financial services—FTEs	74.0	9,360,800
Collections services bureau—FTEs	201.0	29,781,700
Department services—FTEs	65.0	7,535,700
Executive direction and operations—FTEs	60.5	8,475,300
Office of security and data risk management—FTEs	20.0	2,990,500
Property management		7,587,900
Unclaimed property—FTEs	28.0	5,070,600
Worker’s compensation		18,200
GROSS APPROPRIATION	\$	72,033,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG, data/collection services fees		339,100
IDG from accounting service center user charges		405,100
IDG from MDHHS, title IV-D		814,000
IDG, levy/warrant cost assessment fees		3,750,400
IDG, state agency collection fees		2,019,700
Federal revenues:		
DED-OPSE, federal lenders allowance		499,500
DED-OPSE, higher education act of 1965, insured loans		537,700

	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Delinquent tax collection revenue	\$	38,477,700
Escheats revenue		5,070,600
Garnishment fees		2,801,300
Justice system fund		456,200
Marihuana regulation fund		1,291,800
Marihuana regulatory fund		193,900
MFA, bond and loan program revenue		662,600
State lottery fund		315,500
State restricted indirect funds		288,900
State services fee fund		359,800
Treasury fees		47,200
State general fund/general purpose	\$	13,702,100
(3) LOCAL GOVERNMENT PROGRAMS		
Full-time equated classified positions	108.0	
Flint settlement payment	\$	35,000,000
Local finance—FTEs	18.0	2,515,100
Michigan infrastructure council—FTEs	3.0	3,848,100
Property tax assessor training—FTE	1.0	1,050,300
Supervision of the general property tax law—FTEs	86.0	18,156,800
GROSS APPROPRIATION	\$	60,570,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		249,900
Special revenue funds:		
Local - assessor training fees		1,050,300
Local - audit charges		609,000
Local - equalization study charge-backs		40,000
Local - revenue from local government		100,000
Delinquent tax collection revenue		1,593,900
Land reutilization fund		2,065,500
Municipal finance fees		577,600
State general fund/general purpose	\$	54,284,100
(4) TAX PROGRAMS		
Full-time equated classified positions	767.0	
Bottle act implementation	\$	250,000
Home heating assistance		3,099,700
Insurance provider assessment program—FTEs	10.0	2,207,100
Office of revenue and tax analysis—FTEs	25.0	4,791,800
Tax and economic policy—FTEs	47.0	10,139,400
Tax compliance—FTEs	319.0	46,252,200
Tax processing—FTEs	355.0	44,645,800
Tobacco tax enforcement—FTEs	11.0	1,573,300
GROSS APPROPRIATION	\$	112,959,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		2,403,200
IDG from MDOT, state aeronautics fund		72,200
Federal revenues:		
HHS-SSA, low-income energy assistance		3,099,700
Special revenue funds:		
Bottle deposit fund		250,000
Brownfield redevelopment fund		213,500

	For Fiscal Year Ending Sept. 30, 2024
Delinquent tax collection revenue	\$ 75,218,100
Insurance provider fund	2,207,100
Marihuana regulation fund	2,358,600
Marihuana regulatory fund	119,300
Michigan state waterways fund	107,100
Qualified heavy equipment rental personal property exemption reimbursement fund	420,000
Tobacco tax revenue	4,223,700
State general fund/general purpose	\$ 22,266,800
(5) FINANCIAL PROGRAMS	
Full-time equated classified positions	173.0
Dual enrollment payments	\$ 3,000,000
Investments—FTEs	81.0 22,358,700
State and authority finance—FTEs	20.0 4,697,700
Student financial assistance programs—FTEs	72.0 26,002,200
GROSS APPROPRIATION	\$ 56,058,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG, fiscal agent service fees	213,500
Federal revenues:	
DED-OPSE, federal lenders allowance	3,360,700
DED-OPSE, higher education act of 1965, insured loans	16,840,300
Special revenue funds:	
Defined contribution administrative fee revenue	300,000
Michigan finance authority bond and loan program revenue	2,818,000
Michigan merit award trust fund	1,232,900
Retirement funds	17,887,800
School bond fees	913,300
Treasury fees	4,395,400
State general fund/general purpose	\$ 8,096,700
(6) DEBT SERVICE	
Clean Michigan initiative	\$ 23,760,000
Great Lakes water quality bond	72,861,100
Quality of life bond	3,463,000
GROSS APPROPRIATION	\$ 100,084,100
Appropriated from:	
State general fund/general purpose	\$ 100,084,100
(7) GRANTS	
Convention facility development distribution	\$ 128,730,700
Election administration support fund	18,765,400
Emergency 911 payments	49,118,600
Health and safety fund grants	1,500,000
Qualified heavy equipment rental personal property exemption reimbursement distribution	3,000,000
Recreational marihuana grants	71,670,000
Senior citizen cooperative housing tax exemption program	11,511,800
Wrongful imprisonment compensation fund	10,000,000
GROSS APPROPRIATION	\$ 294,296,500
Appropriated from:	
Special revenue funds:	
Convention facility development fund	128,730,700
Emergency 911 fund	49,118,600
Health and safety fund	1,500,000

	For Fiscal Year Ending Sept. 30, 2024	
Marihuana regulation fund	\$	71,670,000
Qualified heavy equipment rental personal property exemption reimbursement fund		3,000,000
State general fund/general purpose	\$	40,277,200
(8) BUREAU OF STATE LOTTERY		
Full-time equated classified positions	212.0	
Lottery information technology services and projects	\$	3,815,600
Lottery operations—FTEs	212.0	31,299,000
GROSS APPROPRIATION	\$	35,114,600
Appropriated from:		
Special revenue funds:		
State lottery fund		35,114,600
State general fund/general purpose	\$	0
(9) CASINO GAMING		
Full-time equated classified positions	215.0	
Casino gaming control operations—FTEs	185.0\$	38,022,500
Gaming information technology services and projects		5,322,700
Horse racing—FTEs	10.0	2,128,000
Michigan gaming control board		113,000
Millionaire party regulation—FTEs	20.0	3,159,300
GROSS APPROPRIATION	\$	48,745,500
Appropriated from:		
Special revenue funds:		
Casino gambling agreements		1,007,500
Equine development fund		2,247,600
Fantasy contest fund		958,000
Internet gaming fund		13,924,300
Internet sports betting fund		2,836,500
State services fee fund		27,771,600
State general fund/general purpose	\$	0
(10) PAYMENTS IN LIEU OF TAXES		
Commercial forest reserve	\$	3,603,900
Purchased lands		10,669,400
Swamp and tax reverted lands		18,014,800
GROSS APPROPRIATION	\$	32,288,100
Appropriated from:		
Special revenue funds:		
Private funds		33,200
Game and fish protection fund		3,615,500
Michigan natural resources trust fund		2,718,700
Michigan state waterways fund		313,700
State general fund/general purpose	\$	25,607,000
(11) REVENUE SHARING		
City, village, and township revenue sharing	\$	293,535,200
Constitutional state general revenue sharing grants		1,100,663,100
County incentive program		43,579,900
County revenue sharing		212,619,200
Financially distressed cities, villages, or townships		2,500,000
GROSS APPROPRIATION	\$	1,652,897,400
Appropriated from:		
Special revenue funds:		
Sales tax		1,652,897,400
State general fund/general purpose	\$	0

	For Fiscal Year Ending Sept. 30, 2024	
(12) STATE BUILDING AUTHORITY		
Full-time equated classified positions	3.0	
State building authority—FTEs	3.0\$	764,800
GROSS APPROPRIATION	\$	764,800
Appropriated from:		
Special revenue funds:		
State building authority revenue		764,800
State general fund/general purpose	\$	0
(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
Full-time equated classified positions	77.0	
City income tax administration program—FTEs	77.0\$	10,977,100
GROSS APPROPRIATION	\$	10,977,100
Appropriated from:		
Special revenue funds:		
Local - city income tax fund		10,977,100
State general fund/general purpose	\$	0
(14) INFORMATION TECHNOLOGY		
Treasury operations information technology services and projects	\$	49,458,200
GROSS APPROPRIATION	\$	49,458,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		830,200
Federal revenues:		
DED-OPSE, federal lender allowance		583,900
Special revenue funds:		
Local - city income tax fund		2,261,700
Delinquent tax collection revenue		18,078,100
Marihuana regulation fund		770,300
Retirement funds		808,200
Tobacco tax revenue		132,800
State general fund/general purpose	\$	25,993,000
(15) ONE-TIME APPROPRIATIONS		
Beverage container distributor grants	\$	8,000,000
City, village, and township revenue sharing		5,591,200
County revenue sharing		4,870,600
Election administration support fund		27,209,200
Gaming control information technology services and projects		2,000,000
High crime community support		12,000,000
Local unit municipal retirement health care benefit premium payment grants		35,000,000
Organ donor registry		150,000
Presidential primary		20,000,000
GROSS APPROPRIATION	\$	114,821,000
Appropriated from:		
Special revenue funds:		
Internet gaming fund		1,000,000
Internet sports betting fund		200,000
Sales tax		10,461,800
State services fee fund		800,000
State general fund/general purpose	\$	102,359,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$4,188,489,100.00 and state spending from state

sources to be paid to local units of government for fiscal year 2023-2024 is \$2,069,854,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ATTORNEY GENERAL	
Gun case backlog	\$ 10,000,000
Local prosecutor NextGen data integration	10,000,000
Subtotal	\$ 20,000,000
DEPARTMENT OF STATE	
Election administration and services	\$ 30,000,000
Fees to local units	40,000
Motorcycle safety education grants	1,754,300
Subtotal	\$ 31,794,300
DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET	
Capital city support	\$ 1,000,000
Subtotal	\$ 1,000,000
DEPARTMENT OF TREASURY	
Airport parking distribution pursuant to section 909	\$ 27,000,000
City, village, and township revenue sharing	299,126,400
Commercial forest reserve	3,603,900
Constitutional state general revenue sharing grants	1,100,663,100
Convention facility development fund distribution	128,730,700
County incentive program	43,579,900
County revenue sharing payments	217,489,800
Emergency 9-1-1 payments	26,000,000
Financially distressed cities, villages, or townships	2,500,000
Health and safety fund grants	1,500,000
Local unit municipal retirement health care benefit premium grants	35,000,000
Presidential primary	20,000,000
Recreational marihuana grants	71,670,000
Purchased lands	10,669,400
Senior citizen cooperative housing tax exemption	11,511,800
Swamp and tax reverted lands	18,014,800
Subtotal	\$ 2,017,059,800
TOTAL	\$ 2,069,854,100

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2023-2024 is estimated at \$44,364,332,500.00 in the 2023-2024 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2023-2024 is estimated at \$25,077,311,900.00 The state-local proportion is estimated at 56.5% of total state spending from state sources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2023-2024 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2023-2024 to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part within 30 days after the final book-closing for fiscal year 2023-2024.

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) “COBRA” means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272.
- (b) “DAG” means the United States Department of Agriculture.
- (c) “DED” means the United States Department of Education.
- (d) “DED-OESE” means the DED Office of Elementary and Secondary Education.
- (e) “DED-OPSE” means the DED Office of Postsecondary Education.
- (f) “DED-OVAE” means the DED Office of Career, Technical, and Adult Education.
- (g) “DOL” means the United States Department of Labor.
- (h) “DOL-ETA” means the DOL, Employment and Training Administration.
- (i) “EEOC” means the United States Equal Employment Opportunity Commission.

- (j) "FTE" means full-time equated.
 - (k) "Fund", unless the context clearly implies a different meaning, means the Michigan strategic fund.
 - (l) "GEAR-UP" means gaining early awareness and readiness for undergraduate programs.
 - (m) "Geographically disadvantaged business enterprise" means a geographically disadvantaged business enterprise as that term is defined by Executive Directive 2019-08.
 - (n) "GF/GP" means general fund/general purpose.
 - (o) "HHS" means the United States Department of Health and Human Services.
 - (p) "HHS-OS" means the HHS Office of the Secretary.
 - (q) "HHS-SSA" means the Social Security Administration.
 - (r) "HUD" means the United States Department of Housing and Urban Development.
 - (s) "HUD-CPD" means the HUD Office of Community Planning and Development.
 - (t) "IDG" means interdepartmental grant.
 - (u) "JCOS" means the joint capital outlay subcommittee.
 - (v) "MAIN" means the Michigan administrative information network.
 - (w) "MCL" means the Michigan Compiled Laws.
 - (x) "MDE" means the Michigan department of education.
 - (y) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
 - (z) "MDHHS" means the Michigan department of health and human services.
 - (aa) "MDIFS" means the Michigan department of insurance and financial services.
 - (bb) "MDLARA" means the Michigan department of licensing and regulatory affairs.
 - (cc) "MDLEO" means the Michigan department of labor and economic opportunity.
 - (dd) "MDMVA" means the Michigan department of military and veterans affairs.
 - (ee) "MDOC" means the Michigan department of corrections.
 - (ff) "MDOS" means the Michigan department of state.
 - (gg) "MDOT" means the Michigan department of transportation.
 - (hh) "MDSP" means the Michigan department of state police.
 - (ii) "MDTMB" means the Michigan department of technology, management, and budget.
 - (jj) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
 - (kk) "MEGA" means the Michigan economic growth authority.
 - (ll) "MFA" means the Michigan finance authority.
 - (mm) "MPE" means the Michigan public employees.
 - (nn) "MSF" means the Michigan strategic fund.
 - (oo) "MSHDA" means the Michigan state housing development authority.
 - (pp) "NERE" means nonexclusively represented employees.
 - (qq) "NFAH-NEA" means the National Foundation of the Arts and the Humanities - National Endowment for the Arts.
 - (rr) "PA" means public act.
 - (ss) "PATH" means Partnership. Accountability. Training. Hope.
 - (tt) "RFP" means a request for a proposal.
 - (uu) "SEIU" means Service Employees International Union.
 - (vv) "SIGMA" means statewide integrated governmental management applications.
 - (ww) "WIC" means women, infants, and children.
- Sec. 204. From the funds appropriated in part 1, the departments and agencies shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.
- Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.
- Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:
- (a) The funds appropriated in part 1 must 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.
 - (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The departments and agencies shall not take disciplinary action against an employee of a department or an agency within a department who is in the state classified civil service for communicating with a member of the senate or house or a member’s staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s or agency’s budget. The department shall submit the report to the house and senate appropriations committees and to the report recipients required in section 205 of this part. The report shall include all of the following information:

- (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. 209. 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, 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 state budget office shall submit the report to the senate and house appropriations committees and the senate and house fiscal agencies.

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

	2022	2023	2024
Michigan personal income (millions)	\$570,065	\$593,438	\$613,021
less: transfer payments	124,922	127,653	132,750
Subtotal	\$445,143	\$465,718	\$480,271
Divided by: Detroit Consumer Price Index for 12 months ending December 31	2.681	2.804	2.885
Equals: real adjusted Michigan personal income	\$166,023	\$166,077	\$166,495
Percentage change	N/A	0.0%	0.3%
Growth rate in excess of 2%?	N/A	N/A	N/A
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2024 (millions)	N/A	NO	NO
Growth rate less than 0%?	N/A	NO	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2023 (millions)	N/A	NO	NO

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2024, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of \$100,000,000.00.

Sec. 212. The departments and agencies shall cooperate with the MDTMB 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 employees by job classification.

(e) Job specifications and wage rates.

Sec. 213. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall provide to the state budget office information sufficient to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on general government, 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 prior 2 fiscal years.

Sec. 214. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 217. On a quarterly basis, the departments and agencies receiving appropriations in part 1 and the office of the auditor general shall report to the senate and house appropriations committees and the report recipients required in section 205 of this part the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department, agency, and office at the end of the reporting period.

Sec. 218. It is the intent of the legislature that departments and agencies maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 shall post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, inter-transfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 221. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. Departments and agencies may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. The departments and agencies receiving appropriations in part 1 shall report not later than April 1 on each specific policy change made to implement a PA affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the joint committee on administrative rules, and to the report recipients required in section 205 of this part.

Sec. 223. (1) From the funds appropriated in part 1, the departments and agencies shall do both of the following:

(a) Report to the senate and house appropriations committees and the report recipients required in section 205 of this part any amounts of severance pay for a department or agency director, deputy director, or other high-ranking department officials not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the senate and house appropriations committees and the report recipients required in section 205 of this part on the total amount of severance pay remitted to former department or agency employees during the prior fiscal year and the total number of former department employees that were remitted severance pay during the prior fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 224. (1) Money appropriated in part 1 shall not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 225. Appropriations in part 1 shall, to the extent possible by the departments and agencies, not be expended until all money under an existing work project authorization available for the same purposes is exhausted.

Sec. 226. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 227. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 228. (1) If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report must be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the report recipients required in section 205 of this part, and the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited.

(2) If the office of the auditor general does not receive the required report regarding initiatives related to savings and efficiencies within the 6-month time frame described in subsection (1), the office of the auditor general may charge noncompliant executive branch departments and agencies for the cost of performing a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented.

Sec. 229. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for federal contingency authorization. The authorized 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 \$750,000.00 for state restricted contingency authorization. The authorized 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 \$50,000.00 for local contingency authorization. The authorized 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 \$50,000.00 for private contingency authorization. The authorized 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. 302. (1) The attorney general shall perform all legal services, including representation before courts and administrative agencies, rendering legal opinions, and providing legal advice to a principal executive department or state agency. A principal executive department or state agency shall not employ or enter into a contract with any other person for services described in this section.

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

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

Sec. 303. The attorney general may sell copies of the biennial report in excess of the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies shall not be provided to members of the legislature. Electronic copies of biennial reports shall be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

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

Sec. 305. In addition to the funds appropriated in part 1, not more than \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the MDHHS, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to DAG regulations and that, once earned by this state, the funds become state funds.

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

Sec. 307. (1) In addition to the antitrust enforcement collections revenues in part 1, antitrust revenues, securities fraud revenues, consumer protection or class action enforcement revenues, or attorney fees recovered by the department of attorney general, not to exceed \$350,000.00, are appropriated to the department of attorney general for antitrust, securities fraud, and consumer protection or class action enforcement cases.

(2) Any unexpended funds from antitrust revenues, securities fraud revenues, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year up to the maximum authorization of \$1,000,000.00.

(3) The department of attorney general shall make available upon request information detailing the amount of revenue from subsection (1) recovered by the attorney general, including a description of the source of the revenue and the carryforward amount.

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

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

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

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department of attorney general may spend up to \$562,400.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department of attorney general collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the MDOC and its officers, employees, and agents, including, but not limited to, the defense of litigation against this state, its departments, officers, employees, or agents in civil actions filed by prisoners.

(2) Not later than March 1, the department of attorney general must report to the house and senate appropriations subcommittees with jurisdiction over the budget of the MDOC and to the report recipients

required in section 205 of this part the total amount of reimbursements received under section 6 of the state correctional facility reimbursement act, 1935 PA 253, MCL 800.406, descriptions of all expenditures made from the reimbursements, the amount paid to conduct the investigations from these reimbursements, and the amount credited to the general fund from these reimbursements.

Sec. 310. (1) For the purposes of providing title IV-D child support enforcement funding, the attorney general shall maintain a cooperative agreement with the MDHHS, as the state IV-D agency, for federal IV-D funding to support the child support enforcement activities within the department of attorney general.

(2) The attorney general or the attorney general's designee shall, to the extent allowable under federal law, have access to any information used by this state to locate parents who fail to pay court-ordered child support.

Sec. 311. From the funds appropriated in part 1 for operations, the department of attorney general shall provide \$500,000.00 to the Center for Civil Justice to provide legal and technical assistance to low-income individuals and to pursue impact litigation that protects low-income and marginalized populations.

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

Sec. 313. The department of attorney general shall submit a quarterly report on the lawsuit settlement proceeds fund that includes all of the following:

(a) The total amount of revenue deposited into the lawsuit settlement proceeds fund in the current fiscal year delineated by case.

(b) The total amount appropriated from the lawsuit settlement proceeds fund in the current fiscal year delineated by appropriation.

(c) Earned settlement proceeds that are anticipated but not yet deposited into the fund delineated by case.

(d) Any known potential settlement amounts from cases that have not been decided, delineated by case.

Sec. 314. (1) The department of attorney general may spend the funds appropriated in part 1 from the lawsuit settlement proceeds fund for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to \$2,661,300.00.

(2) The department of attorney general shall submit a quarterly report to the senate and house appropriations committees and to the report recipients required in section 205 of this part detailing how funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the Flint water declaration of emergency were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

(3) As a condition of receiving funds appropriated in part 1, the attorney general must not retain the services of an outside counsel associated with the declaration of emergency due to drinking water contamination at an hourly rate of more than \$250.00 unless all reporting requirements under subsection (2) are satisfied.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department of attorney general shall use the funds for testing of backlogged sexual assault kits across this state. The funding provided in part 1 shall be distributed in the following order of priority:

(a) To eliminate all county sexual assault kit backlogs across this state.

(b) To assist local prosecutors with investigations and prosecutions of viable cases.

(c) To provide victim services.

(2) The department of attorney general shall submit a report by February 1. The report shall include all of the following information:

(a) The number of sexual assault kits across this state that remain untested as of January 31, 2024.

(b) A detailed work plan outlining the department of attorney general's action plan to eliminate all outstanding sexual assault kits and the time frame for completion of testing of all untested sexual assault kits.

(c) A detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing.

(3) Any funds remaining after the department of attorney general has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds may be used only for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2024, funds appropriated in part 1 shall be used only for the testing of those kits.

Sec. 317. (1) The department of attorney general shall report all legal costs and associated expenses related to the declaration of emergency due to drinking water contamination, and the investigations and any resulting prosecutions, for publication in the Flint water emergency-financial and activities tracking and reporting document that is posted by the state budget director on the public website, michigan.gov/flintwater. The tracking and reporting documents shall include the budget line item source for each expenditure.

(2) At the conclusion of all attorney general investigations related to the declaration of emergency due to drinking water contamination, all materials related to any investigations shall be preserved pursuant to applicable document retention policies.

Sec. 319. From the funds appropriated in part 1, the attorney general shall submit a quarterly report on the wrongful imprisonment compensation fund that includes at least all of the following:

(a) All payments made from the wrongful imprisonment compensation fund in each prior quarter of the fiscal year, and the total of those payments, including if each payment is part of a new settlement or part of an installment plan.

(b) Total payments made from each prior fiscal year and the total of all payments to date.

(c) Any settlements that have been decided but have yet to receive a payment.

(d) The number of known cases seeking a settlement, but do not have a final judgment, and the dollar amount of each potential payment for these known cases, and the total of these payments.

(e) The balance of the wrongful imprisonment compensation fund at the end of the previous quarter.

Sec. 320. From the funds appropriated in part 1, the department of attorney general shall do all of the following:

(a) Report all lawsuit settlements with a fiscal impact of \$200,000.00 or more not later than 14 days after a settlement is reached.

(b) Enforce the laws of this state.

Sec. 322. (1) The department of attorney general shall submit a report by February 1 on the cumulative dollar expenditure amount related to each of the following department initiatives and activities for the prior fiscal year:

(a) Catholic church investigation.

(b) Elder abuse task force.

(c) Conviction integrity unit.

(d) Opioid litigation.

(e) Hate crimes unit.

(f) Payroll fraud enforcement unit.

(g) PFAS contamination. As used in this subdivision, “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.

(h) Human trafficking.

(i) Robocall enforcement.

(j) Job court.

(k) Organized retail crime unit.

(l) Reducing utility rate increases.

(m) Boy Scouts of America investigation.

(2) For each expenditure required to be reported under subsection (1), the report must include the dollar amount spent by fund source.

Sec. 324. Not later than September 30, the department of attorney general must make available to the public on its website a report on the activities and findings, since April 1, 2019, of the payroll fraud enforcement unit. Information in the report must include, but is not limited to, a listing of each complaint received by the unit, what enforcement action, if any, was taken, and what complaints were not subject to any action being taken by the department of attorney general. In the event the payroll fraud enforcement unit requests another department or agency investigate the validity of a report received, or if they refer a complaint to another department or agency, the department of attorney general shall request those departments or agencies to report back on their findings so that the department of attorney general can comply with this section.

ONE-TIME APPROPRIATIONS

Sec. 330. From the funds appropriated in part 1 for gun case backlog, \$7,000,000.00 must go to a county with a population greater than 1,300,000, according to the most recent federal decennial census, and \$3,000,000.00 must go to a city with a population greater than 600,000, according to the most recent federal decennial census.

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. (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 authorization. The authorized 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 \$375,000.00 for private contingency authorization. The authorized 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. 402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local and private sources, up to a combined total of \$600,000.00, for all of the following purposes:

(a) Developing and presenting training for employers on equal employment opportunity law and procedures.

(b) The publication and sale of civil rights related informational material.

(c) The provision of copy material made available under requests under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Other copy fees, subpoena fees, and witness fees.

(e) Developing, presenting, and participating in mediation processes for certain civil rights cases.

(f) Workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(g) Staffing costs for all activities included in this subsection.

(2) The department of civil rights shall annually report to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part the amount of funds received and expended for purposes authorized under this section.

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

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

(a) A detailed description of the department's operations.

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

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

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

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

(f) A listing of amounts awarded to claimants.

(g) Expenditures associated with complaint investigation and enforcement.

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

(i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.

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

(k) Revenues and expenditures associated with section 403 of this part by local units of government.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30.

Sec. 405. Prior to submitting a report or complaint to the United States Commission on Civil Rights or any other federal department, the department of civil rights shall submit a report on its plans to do so.

Sec. 406. From the funds appropriated in part 1, the department of civil rights shall submit a status update report by October 31, 2023 on the Native American boarding school study. The report shall provide information on the activities conducted for the study by the department of civil rights and any contracted university or entity, total expenditures to date, and the estimated date for publication of the final report.

Sec. 411. (1) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to support an Arab-American museum located in a county with a population over 1,300,000 and in a city with a population of between 105,000 and 115,000, according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to an African-American museum in a city with a population greater than 600,000, according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to support a memorial center in a county with a population of between 1,200,000 and 1,300,000 and in a city with a population of between 83,000 and 84,000, according to the most recent federal decennial census.

ONE-TIME APPROPRIATIONS

Sec. 420. (1) Funds appropriated in part 1 for ELCRA expansion shall be used to cover expenses incurred by the department of civil rights in implementing 2023 PA 6. Eligible uses of the funds include, but are not limited to, supporting the costs of all of the following:

(a) Complaints investigation and enforcement.

- (b) Hearings and litigation to address respondents' defenses to civil rights complaint cases.
- (c) Community outreach, education, and training.
- (d) Information technology system or software updates.
- (e) Hiring up to 12.0 limited-term employees.

(2) Unexpended funds appropriated in part 1 for ELCRA expansion are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to cover expenses incurred by the department of civil rights in implementing requirements of 2023 PA 6.

(b) The project will be accomplished by hiring limited-term employees, using state employees, or both.

(c) The estimated cost of this project is \$2,000,000.00.

(d) The tentative completion date for the work project is September 30, 2028.

(3) As used in this part and part 1, "ELCRA" means the Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2101 to 37.2804.

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

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

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

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

(2) If any funds remain after all required dues payments have been made as specified in subsection (1), the legislative council may approve the use of up to \$10,000.00 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the \$10,000.00 remains after national board member's registration fees are paid, the remaining funds may be used to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues as prescribed in subsection (1).

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

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

Sec. 605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is publication of the Michigan manual.

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

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment.

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

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements.

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

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2028.

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

Sec. 609. The unexpended funds appropriated in part 1 for senate census tracking/reapportionment are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to purchase equipment, supplies, and services needed for tracking and reporting census and reapportionment information for this state.

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

(c) The total estimated cost of the project is \$125,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 610. The unexpended funds appropriated in part 1 for house census tracking/reapportionment are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to purchase equipment, supplies, and services needed for tracking and reporting census and reapportionment information for this state.

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

(c) The total estimated cost of the project is \$125,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 611. (1) From the funds appropriated in part 1 for senate, \$250,000.00 must be allocated for an internship program.

(2) From the funds appropriated in part 1 for house of representatives, \$250,000.00 must be allocated for an internship program.

Sec. 612. It is the intent of the legislature that the appropriation in part 1 for the independent citizens redistricting commission complies with the legislature's obligation under section 6(6) of article IV of the state constitution of 1963 and is to be used to fulfill the independent citizens redistricting commission's request to cover additional legal costs in a manner that is consistent with the current dormancy plan of the independent citizens redistricting commission. It is the intent of the legislature that this appropriation is contingent upon the independent citizens redistricting commission submitting quarterly reports of expenditures to the governor and the legislature, pursuant to section 6(5) of article IV of the state constitution

of 1963. These reports must include a full accounting of the independent citizens redistricting commission's actual legal costs incurred as part of defending any litigation regarding an adopted plan. Additionally, the independent citizens redistricting commission must return to the state treasury all funding unexpended for fiscal year 2023-2024 within 6 months after the conclusion of that fiscal year, in accordance with section 6(5) of article IV of the state constitution of 1963.

LEGISLATIVE AUDITOR GENERAL

Sec. 620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the executive, judicial, and legislative branches.

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

(2) The auditor general shall strongly encourage firms with which the auditor general contracts to perform audits of the principal executive departments and state agencies to subcontract with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises. The auditor general shall submit the report by November 1.

Sec. 622. From the funds appropriated in part 1 to the office of the auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed \$50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Operations Manual Policy No. 2-26, which describes the office of the auditor general's policy on responding to legislative requests.

Sec. 625. Subject to the same duty of confidentiality imposed by law on the entity providing the confidential information, the auditor general shall not be denied access to examine confidential information of any branch, department, office, board, commission, agency, authority, or institution of this state.

Sec. 627. The unexpended funds appropriated in part 1 for field operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

- (a) The purpose of the project is to conduct the state of Michigan annual comprehensive financial report.
- (b) The project will be accomplished by utilizing state employees and contract audits.
- (c) The total estimated cost of the project is \$3,000,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 628. On a quarterly basis, the auditor general shall provide a report to the chairpersons of the senate and house appropriations committees and the senate and house oversight committees that contains all of the following information related to projects initiated during the prior quarter:

- (a) Audit title.
- (b) Audit type.
- (c) Audit period.
- (d) Audit objectives.
- (e) Branch of government being audited.
- (f) Whether the auditor general or a contracted auditor is conducting the audit and, if a contracted auditor is conducting the audit, the identity of the contracted auditor.
- (g) Details regarding the reason for initiating the audit, including whether it was discretionary or required by statute.
- (h) To the extent permitted under law, details regarding any inquiry, tip, or request related to the audit that the auditor general received prior to initiating the audit.
- (i) Details regarding any similar audit the auditor general has completed in the past.
- (j) Estimated time frame for completion of the audit.

- (k) Estimated total auditor general resources necessary to complete the audit and release a report.
- (l) Estimated total departmental or agency resources necessary to respond to the audit.

Section 629. On a quarterly basis, the auditor general shall provide a report to the chairpersons of the senate and house appropriations committees and the senate and house oversight committees that contains all of the following information related to projects in progress during the prior quarter:

- (a) Audit title.
- (b) Date the audit was initiated.
- (c) Audit status.
- (d) Estimated time frame for completion of the audit.
- (e) Details regarding the resources spent on the audit to date.
- (f) Estimated total auditor general resources necessary to complete the audit and release a report.
- (g) Details regarding departmental or agency resources spent on the audit to date.
- (h) Estimated total departmental or agency resources necessary to respond to the audit.

Sec. 630. On a quarterly basis, the auditor general shall provide a report to the chairpersons of the senate and house appropriations committees and the senate and house oversight committees that contains all of the following information related to projects completed during the prior quarter:

- (a) Audit title.
- (b) Date the audit was initiated.
- (c) Date the audit report was released.
- (d) Results of the audit, including the number and type of findings.
- (e) Details regarding total auditor general resources spent on the audit.
- (f) Details regarding total departmental or agency resources spent on the audit.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency authorization. The authorized 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 \$500,000.00 for state restricted contingency authorization. The authorized 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 \$25,000.00 for local contingency authorization. The authorized 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 \$50,000.00 for private contingency authorization. The authorized 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. 703. From the funds appropriated in part 1, the MDOS shall sell copies of records, including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The MDOS shall provide quarterly reports within 15 days after the close of the quarter and shall include the number of records sold and the revenues collected.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the MDOC for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The MDOS may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to approval of the MDOS, for inclusion in the publication. The MDOS may reject a gift, donation, contribution, or grant. The MDOS may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The MDOS may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The MDOS may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The MDOS may refuse to accept advertising from any person or organization. The MDOS may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the MDOS from a public source are allocated and may be expended upon receipt. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1, the MDOS shall submit a report to the minority chairpersons of the senate and house appropriations subcommittees on general government and to the report recipients required in section 205 of this part that includes all of the following information for the prior fiscal year:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under section 705 of article 5 of 2022 PA 166.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the MDOS under section 705 of article 5 of 2022 PA 166.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the MDOS may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 707. Funds collected by the MDOS under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication described in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the MDOS shall use available balances at the end of the state fiscal year to provide payment to the MDSP in the amount of \$332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the MDOS may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the MDOS are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 713. (1) The MDOS, in collaboration with the Gift of Life Michigan or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The MDOS may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The MDOS may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the MDOS may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

(7) The department must submit a report to the minority chairpersons of the senate and house appropriations subcommittees on general government and to the report recipients required in section 205 of this part by March 1 that provides the amount of revenue collected by the MDOS under this section, the purpose of each expenditure, and the amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the MDOS shall inform the members of the senate and house of representatives standing committees on appropriations, the report recipients required in section 205 of this part, and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the MDOS shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the MDOS is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the MDOS from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the MDOS for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the MDOS for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the MDOS for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 717. (1) The MDOS may accept gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The MDOS may recognize a private or public contributor for making the contribution. The MDOS may reject a gift, donation, or contribution. Any revenues received under this subsection may be expended for the departmental functions relating to licensing, regulation, or safety.

(2) The MDOS shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1, the MDOS shall submit a report to the minority chairpersons of the senate and house appropriations subcommittees on general government and to the report recipients required in section 205 of this part that lists any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 718. From the funds appropriated in part 1 for election regulation, all money shall be spent in accordance with election law and the instructions, orders, and guidance of the secretary of state regarding the proper method for the conduct and administration of elections.

Sec. 719. The MDOS shall submit a report by October 1 to the speaker of the house, the senate majority leader, and the minority chairpersons of the senate and house appropriations subcommittees on general government and to the report recipients required in section 205 of this part on reimbursements to counties, cities, and townships from the MDOS's election security grant program funded by funding under the help America vote act of 2002, 52 USC 20901 to 21145. This report must list the amounts and purpose of reimbursements provided to each grantee as determined by receipts received by the MDOS from grantees and the total amount of reimbursements received by each grantee.

Sec. 722. From the funds appropriated in part 1, the MDOS shall provide an expense report of CARS. The report shall include, but is not limited to, itemized expenditures made on behalf of CARS by fund source in the prior fiscal year and projected expenditures to be made on behalf of CARS in the current fiscal year and the next fiscal year. The report shall be submitted by February 1 to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part. As used in this section, "CARS" means the customer and automotive records system.

Sec. 723. The funds appropriated in part 1 for the county clerk education and training fund shall be used only for costs associated with the training of local clerks in preparation for elections. The MDOS shall not allocate any funds appropriated for county clerk education and training for any other purposes.

ONE-TIME APPROPRIATIONS

Sec. 750. (1) Funds appropriated in part 1 for election administration and services and financed from the election administration support fund are available to implement the provisions and requirements of Proposals 22-1 and 22-2 that include, but are not limited to, early voting, drop-boxes, prepaid postage, absent voting ballot tracking, a permanent absent voter list, and campaign finance reporting in compliance with section 4 of article II and section 10 of article IV of the state constitution of 1963.

(2) Up to \$30,000,000.00 of the appropriations described in subsection (1) shall be expended for incentive grants to counties to coordinate the implementation of early voting by local governments within their jurisdiction in the most efficient manner possible. Specifically, the MDOS shall establish program guidelines for the grants to counties that maximize multijurisdictional coordination and the accessibility of early voting for all qualifying voters through initiatives that address planning, staffing, facilities, equipment, and other needs for implementation of early voting in a manner that provides for efficient election administration within the county.

(3) The unexpended funds appropriated in part 1 for election administration and services and financed from the election administration support fund for the implementation of Proposals 22-1 and 22-2 are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to implement the requirements of Proposals 22-1 and 22-2.

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

(c) The total estimated cost of the project is \$45,974,600.00.

(d) The tentative completion date is September 30, 2028.

Sec. 751. From the funds appropriated in part 1 for organ donor registration, the MDOS shall facilitate the growth of the donor registry of the state anatomical gift donor registry program in accordance with methods of giving authorized under section 10105 of the revised uniform anatomical gift law of the public health code, 1978 PA 368, MCL 333.10105.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000,000.00 for federal contingency authorization. The authorized 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 \$300,000,000.00 for state restricted contingency authorization. The authorized 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 \$20,000,000.00 for local contingency authorization. The authorized 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 \$20,000,000.00 for private contingency authorization. The authorized 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. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the MDTMB to offset costs incurred in the acquisition and distribution of surplus property. The MDTMB shall provide consolidated internet auction services through this state's contractors for all local units of government.

Sec. 803. (1) The MDTMB may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the MDTMB.

(2) The MDTMB may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, engineering, and project oversight services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, universities, community colleges, or private tenants.

(3) The MDTMB may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The MDTMB may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(5) Fee revenue collected by the MDTMB from user fees under subsections (1) to (4) shall be carried forward and shall not lapse to the general fund at the close of the fiscal year.

Sec. 804. (1) Funding in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the MDTMB may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the MDTMB appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the MDTMB, the MDTMB may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the MDTMB under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. Funding in part 1 for SIGMA shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by MDTMB.

Sec. 808. (1) Deposits against the IDG from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by MDTMB. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the MDTMB, for management and budget services for building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 809. On a biannual basis, the MDTMB shall report on any revisions either individually or in the aggregate that increase or decrease current contracts by more than \$500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. From the funds appropriated in part 1, the MDTMB shall maintain an internet website that contains notice of all solicitations, invitations for bids, and requests for proposals over \$50,000.00 issued by the MDTMB or by any state agency operating under delegated authority, except for solicitations up to \$500,000.00 in accordance with department policy regarding providing opportunities to Michigan small businesses, geographically disadvantaged business enterprises, Michigan veteran-owned business, Michigan service disabled veteran-owned businesses, or Michigan recognized community rehabilitation organizations, or in situations where it would be in the best interest of this state and documented by the MDTMB. This information must appear on the first page of each department or state agency dashboard. The MDTMB shall

not set the due date for acceptance of an invitation for bid or request for proposal to less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of this state and documented by the MDTMB. In addition to the requirements of this section, the MDTMB may advertise the solicitations, invitations for bids, and requests for proposals in any manner the MDTMB determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to respond, or make bids or requests for proposals.

Sec. 811. The MDTMB may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the MDTMB for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the MDTMB. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) Pursuant to the MDTMB's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the MDTMB shall submit an annual report regarding the operation of the motor vehicle fleet. The report shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, the number of vehicles in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The report must include a description of fleet garage operations, the goods sold and services provided by the fleet garage, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. By 90 days after the close of the fiscal year, the MDTMB shall submit the report detailing the operation of the fleet during the fiscal year.

(4) The MDTMB may charge state agencies for fuel cost increases that exceed \$3.04 per gallon or 10% of the budgeted price per gallon, whichever is more, of unleaded gasoline. The MDTMB shall notify state agencies, in writing or by email, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the MDTMB in order to ensure that the appropriations for motor vehicle fleet in the MDTMB budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 818. In addition to the funds appropriated in part 1, the MDTMB may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Any deposits made into this fund are restricted revenues and shall be carried over into succeeding fiscal years.

Sec. 820. The MDTMB shall make available to the public a list of all parcels of real property owned by this state that are available for purchase. The list shall be posted on the internet through the MDTMB's website.

Sec. 822. The MDTMB shall compile a report by January 1 pertaining to the salaries of unclassified employees, and gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and the employee's or appointee's annual salary rounded to the nearest thousand dollars.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project unless the approval of the project is enacted into law.

Sec. 822d. By December 31, the MDTMB shall submit a report that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the MDTMB during the current fiscal year. The report shall also identify changes from fees and rates charged in the prior fiscal year and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. From the funds appropriated in part 1, the MDTMB shall maintain a system that collaborates with other departments to keep track of the performance of vendors in fulfilling contract obligations. The performance of these vendors shall be recorded and used as a factor to determine future contracts awarded in the procurement process.

Sec. 822f. From the funds appropriated in part 1, the MDTMB shall ensure that all new requests for proposals that are publicly displayed on the webpage include the proposal's corresponding department and agency for the purpose of searching for requests for proposals by department and agency.

Sec. 822g. From the funds appropriated in part 1 for business support services, not more than an additional \$300,000.00 shall be used to continue a comprehensive supplier risk and information subscription used for the precontract risk assessment program.

Sec. 822h. From the funds in part 1 for capital city services, the MDTMB shall provide reimbursement to a city with a population of between 107,000 and 108,000 according to the most recent federal decennial census to provide support for local infrastructure and municipal services. Eligible expenses include maintenance or improvement of local roads, sidewalks, public utility infrastructure, emergency response, traffic management, or other public safety services that support the state capitol and adjacent state facilities. Reimbursement must be provided quarterly after supporting documentation related to the eligible expenses is provided to the MDTMB and the eligible expenses are approved for reimbursement. The city must also be required to maintain and provide any supporting documentation that is requested for auditing purposes.

Sec. 822i. The funds appropriated in part 1 shall not be used to consolidate the testing laboratories for the department of agriculture and rural development or the department of natural resources.

INFORMATION TECHNOLOGY

Sec. 824. The MDTMB may enter into agreements to provide spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The MDTMB 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 MDTMB may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services.

Sec. 825. The legislature shall have access to all historical and current data contained within SIGMA, or its predecessor, pertaining to state departments. State departments shall have access to all historical and current data contained within SIGMA or its predecessor.

Sec. 826. As used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

- (a) Application and mobile development and maintenance.
- (b) Desktop computer support and management.
- (c) Cybersecurity.
- (d) Social media.
- (e) Mainframe computer support and management.
- (f) Cloud services support and management, including, but not limited to, infrastructure as a service, platform as a service, and software as a service.
- (g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.
- (h) Information technology project management.
- (i) Information technology procurement and contract management.
- (j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The MDTMB shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and shall deposit the fees in the Michigan public safety communications systems fees fund.

(3) All money received by the MDTMB under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The MDTMB shall submit a report not later than 45 calendar days after the current fiscal year. The report shall include both of the following:

(a) The estimated total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the MDTMB as reported in subdivision (a).

Sec. 831. The MDTMB shall submit monthly invoices for information technology services provided by MDTMB either directly or through contracted vendors during that month to departments or agencies by not later than 60 days after receiving approval to pay vendor invoices from departments and agencies for the information technology services provided.

Sec. 832. (1) The MDTMB shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days after learning of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the MDTMB shall submit a report within 90 days after the date the penalties are assessed specifying the MDTMB's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part, may adjust spending authorization and user fees in the MDTMB in order to ensure that the appropriations for information technology in the MDTMB equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the MDTMB to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the MDTMB. The MDTMB may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in a PA or the state constitution of 1963.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. (1) In addition to the funds appropriated in part 1, the funds collected by the MDTMB for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

(2) The MDTMB shall submit a report by March 1 that provides the amount of revenue collected by the MDTMB from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 837. All information technology projects funded by appropriations in part 1 must utilize information technology project management best practices and services as defined or recommended by the enterprise portfolio management office of the MDTMB and comply with the requirements of the state unified information technology environment methodology as it applies to all information technology project management processes.

Sec. 838. The funds appropriated in part 1 for information technology investment fund shall be used for the modernization of state information technology systems, improvement of this state's cybersecurity framework, and to achieve efficiencies. The MDTMB shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund. The plan shall include, but is not limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the MDTMB considers necessary. The MDTMB shall submit a report that includes the plan and the anticipated spending reductions or overages for each of the proposed information technology investment projects.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in the applicable insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of this state the amount necessary to pay the obligations.

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the civil service commission is authorized to adjust financing sources for civil service charges based on actual payroll expenditures, provided that the adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy civil service commission operating deductions first and civil service commission obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 875 of this part:

(a) "Board" means the state administrative board.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "Department" means the MDTMB.

(d) "Director" means the director of the MDTMB.

(e) "State agency" means an agency of state government. State agency does not include a community college or university.

(f) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(g) "University" means a 4-year university supported by this state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall submit a report to the JCOS on the status of each planning or construction project financed by the state building authority, this part and part 1, or a previous PA.

(2) Before the end of the fiscal year, the department shall submit a report to the JCOS for each capital outlay project other than lump sums that includes all of the following:

(a) The account number and name of each construction project.

(b) The balance remaining in each account.

(c) The date of the last expenditure from the account.

(d) The anticipated date of occupancy if the project is under construction.

(e) The appropriations history for the project.

(f) The professional service contractor.

(g) The amount of the project financed with federal funds.

(h) The amount of the project financed through the state building authority.

(i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of the fiscal year, the department shall submit a report to the JCOS on all of the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

- (a) The name of the project and account number.
- (b) Whether a program statement is approved.
- (c) Whether schematics are approved by the department.
- (d) Whether preliminary plans are approved by the department.
- (e) The name of the professional service contractor.
- (f) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year in accordance with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property under section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to this state. The MEDC board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) The department shall submit an annual report by not later than December 31 to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part that includes both of the following:

- (a) The revenue and expenditure activity in the fund for the preceding fiscal year.
- (b) The sites identified as economic development sites under subsection (1).

Sec. 866. (1) The energy efficiency revolving fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the energy efficiency revolving fund. The state treasurer shall direct the investment of the energy efficiency revolving fund. The state treasurer shall credit to the energy efficiency revolving fund interest and earnings from energy efficiency revolving fund investments.

(2) Money in the energy efficiency revolving fund at the close of the fiscal year shall remain in the energy efficiency revolving fund and shall not lapse to the general fund.

(3) The department shall provide oversight and direction for the energy efficiency revolving fund and shall coordinate a call for projects and prioritize the award of projects that will contribute to a reduction in this state's carbon footprint. State administrative costs must be not more than 10% of the total project cost.

(4) The department shall set terms with agencies participating in the energy efficiency revolving fund program that include the scope of each project, funding commitments, data collection and reporting requirements, and any other financial terms related to realization of energy savings related to implementation of the project. The department may enter into a memorandum of understanding to memorialize these terms.

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 the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and

budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous PAs.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the community college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or governing board approval of the authorized project, the director may terminate the authorization. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS approves an extension of the authorization.

ONE-TIME APPROPRIATIONS

Sec. 890. (1) The funds appropriated in part 1 for vendor cybersecurity monitoring shall be used to improve the cybersecurity posture and expand the vulnerability monitoring of the executive departments and agencies and their vendor ecosystems to reduce the risk of cybersecurity breaches. On October 1, 2023, the MDTMB shall begin issuing a solicitation for software that provides comprehensive cybersecurity vulnerability information about companies with which the executive departments and agencies do business. The selected vendor must be able to provide the MDTMB and the executive departments and agencies with all of the following:

(a) Data, on both individual vendors and vendor ecosystems, that are updated daily and available to the public.

(b) The ability to create cybersecurity questionnaires to send to this state's vendor ecosystems.

(c) The ability to track cyber threat actors within this state's vendor ecosystems and analyze how these actors may affect the executive departments and agencies.

(d) The ability for this state and its executive agencies to make supply chain predictions, including identifying suppliers, vendors, and products that this state's vendor ecosystems will need in the future, to avoid supply chain disruptions.

(e) Documentation outlining that the selected software vendor has demonstrated the ability to achieve the "Ready" stage of the FedRamp certification process.

(f) Technology that is available for use by all state executive agencies.

(2) The MDTMB must be able to gather all of the following metrics from the software:

(a) Number of vendors monitored in a vendor ecosystem.

(b) Most common cybersecurity vulnerabilities in a vendor ecosystem.

(c) Most critical vulnerabilities in a vendor ecosystem.

(d) Top and bottom vendors in a vendor ecosystem.

(e) Ransomware analytics surrounding a vendor ecosystem or specific vendors.

Sec. 891. (1) The make it in Michigan competitiveness fund is created within the state treasury.

(2) From the funds appropriated in part 1 for make it in Michigan competitiveness fund, \$286,805,700.00 shall be deposited into the make it in Michigan competitiveness fund.

(3) Funds may be spent from the make it in Michigan competitiveness fund only upon appropriation, or administrative transfer pursuant to subsection (4).

(4) A transfer of funds from federal or state restricted contingency funds into make it in Michigan may be made by the state budget director not less than 30 days after notifying each member of the senate and house appropriations committees. Those transfers may be disapproved by either appropriations committee within the 30 days and, if disapproved within that time, are not effective.

(5) A transfer approved pursuant to this section constitutes authorization to transfer the amount recommended and approved. However, the amount shall be reduced by the state budget director to be within the current unobligated amount of the appropriation.

(6) Transfers shall not be authorized under any of the following circumstances:

(a) To create a new line-item appropriation or to create a new state program.

(b) To or from an operating appropriation line item that did not appear in the fiscal year appropriation bills for which the transfer is being made.

(c) To or from a work project as designated under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(d) Between state governmental funds.

(7) Interest and earnings from the investment of funds deposited in the make it in Michigan competitiveness fund shall be deposited in the general fund.

(8) Funds in the make it in Michigan competitiveness fund at the close of a fiscal year shall remain in the make it in Michigan competitiveness fund and shall not lapse to the general fund.

(9) Funds appropriated or transferred from the make it in Michigan competitiveness fund are available to leverage federal funding opportunities that include, but are not limited to, infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, or other funding opportunities administered by the federal government. Funding opportunities may be in the form of formula or competitive-based grants, cooperative agreements, or contracts, and may include funds contained in the infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any other federal acts.

(10) The Michigan infrastructure office, in collaboration with the state budget director, shall form an interagency evaluation committee that includes the department of environment, Great Lakes, and energy, the MDLEO, the MDOT, the MSF, or other entities at the discretion of the Michigan infrastructure office, to develop program guidelines and selection criteria for the recommended appropriation or transfer of funds. The interagency evaluation committee shall make recommendations to the director of the MDTMB and the state budget director on the disbursement of funds. Funding shall also be used to cover all costs related to the administration of this section.

(11) The MDTMB shall report to the legislature not later than 30 days after any federal funds are received that would be used as the basis for recommended appropriations or transfers from the make it in Michigan competitiveness fund.

(12) Not later than 90 days after the close of each fiscal year, the department shall report to the legislature on the projects funded with make it in Michigan competitiveness fund money.

DEPARTMENT OF TREASURY OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency authorization. The authorized 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 authorization. The authorized 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 authorization. The authorized 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 \$20,000.00 for private contingency authorization. The authorized 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. 902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by this state under sections 14, 15, and 16 of article IX of the state constitution of 1963, as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by this state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund under section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by this state under 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. As a condition of receiving appropriations in part 1, the department of treasury shall submit a report to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part not more than 30 days after a refunding or restructuring bond issue is sold. The report shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 902b. As a condition of receiving appropriations in part 1, not later than 30 days after the state of Michigan comprehensive annual financial report is published, the department of treasury shall submit a report on all funds that are controlled or administered by the department of treasury and not appropriated in part 1. The report may be completed electronically and the department of treasury must notify the recipients when the report is publicly available. The current and any previous reports required under this section shall be saved and publicly available on the department of treasury's public internet website and stored in a common location with all other reports required by law. The link to the location of the reports shall be clearly indicated on the main page of the department of treasury's internet website. The report shall include all of the following information:

- (a) The starting balance for each fund from the previous fiscal year.
- (b) Total revenue generated by both transfers in and investments for each fund in the previous fiscal year.
- (c) Total expenditures for each fund in the previous fiscal year.
- (d) The ending balance for each fund for the previous fiscal year.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state, or to a city for which the department has entered into an agreement to provide tax administration services. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees, including infrastructure, not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state, or to a city for which the department has entered into an agreement to provide tax administrative services, is from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are dedicated for a specific purpose under the state constitution of 1963, the appropriation of collection costs and fees is from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) By November 30, the department of treasury shall submit a report for the immediately preceding fiscal year to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals that the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall submit an annual report to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part concerning the performance of each portfolio by investment advisor.

(3) The department of treasury shall submit a report by November 30 identifying the service fees assessed against each retirement system under subsection (1) and the methodology used for assessment.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent vendors that perform these financial services, including the department of treasury, as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 905. The municipal finance fee fund is created in the department of treasury as a revolving fund. The fees that the department of treasury collects under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. However, the charge shall not be more than the actual cost for performing the audit. The department of treasury shall submit a report detailing audits performed and audit charges for the immediately preceding fiscal year not later than November 30.

(2) The audit charges fund is created in the department of treasury as a revolving fund. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. The assessor certification and training fund is created in the department of treasury as a revolving fund. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed \$50.00 per examination and certification fees not to exceed \$175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 908. The amount appropriated in part 1 for the home heating assistance program is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable tax credits, tax refunds, and interest as provided by law.

(2) The appropriations under subsection (1) shall be funded by restricting tax revenue in an amount sufficient to record these expenditures.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served on the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served on the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed electronically.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) A portion of the funds appropriated in part 1 for the senior citizen cooperative housing tax exemption program may be used for an audit of the program. The department of treasury shall forward copies of any completed audit report. The department of treasury may use up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. As required under section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for the 2022 tax year. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. (1) The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The department of treasury shall charge for this information as follows:

- (a) For 1 to 100,000 records, 2.5 cents per record.
- (b) For 100,001 or more records, 0.5 cents per record.

(2) The revenue received under subsection (1) shall be deposited in the appropriate revenue account or fund.

(3) The department of treasury shall submit an annual report on or before June 1 to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) By November 30, the department of treasury shall submit a report for the immediately preceding fiscal year stating the amounts appropriated for write-offs and advances under subsection (1) and an explanation for each write-off or advance that occurred.

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) By November 30, the department of treasury shall submit a report for the immediately preceding fiscal year to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part stating the auditing firms employed, the amount of collections for each, the costs of collection, and other information pertinent to determining whether this authority should be continued.

Sec. 920. From the funds appropriated in part 1, the department of treasury shall produce a listing of all personal property tax reimbursement payments to be distributed in the current fiscal year by the local community stabilization authority and shall post the list of payments on the department website by June 30.

Sec. 921. From the funds appropriated in part 1, the department of treasury shall notify all members of the legislature on any revenue administrative bulletins, administrative rules involving tax administration or collection, or notices interpreting changes in law. The notification shall be issued within 3 days after it is posted and shall include at least the following:

- (a) A summary of the proposed changes from current procedures.
- (b) Identification of potential industries that will be affected by the bulletin, notice, or rule.
- (c) A discussion of the potential fiscal implications of the bulletin, notice, or rule. This subdivision does not apply to a bulletin, notice, or rule that is a routine update of a tax or interest rate required by statute.
- (d) A summary of the reason for the proposed changes.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 927. The department of treasury shall submit an annual progress report regarding essential service assessment audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department of treasury related to the audits.

Sec. 928. The department of treasury may provide receipt, check and cash processing, data, collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received reverts to the general fund on September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134, or to a city for which the department has entered into an agreement to provide tax administration services. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the

department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds, except for federal or state restricted funds that are temporary in nature or otherwise do not qualify to be assessed treasury fees, that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund must be based on the size of the restricted fund, calculated as the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year, and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall submit a report by November 30 identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. A restricted fund that is created on or after October 1 shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the MFA, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts or executive reorganization orders.

(2) The department of treasury shall submit a report by January 31 on the amount and purpose of expenditures of \$250,000.00 or more that are made under subsection (1) from funds received in addition to those appropriated in part 1. The report must also include a listing of reimbursement of revenue, if any. The report must cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 937. As a condition of receiving funds in part 1, the department of treasury shall submit a report to the senate and house standing committees on appropriations and to the report recipients required in section 205 of this part not later than March 31 regarding the performance of the Michigan accounts receivable collections system. The report shall include, but is not limited to, all of the following:

(a) Information regarding the effectiveness of the department's current collection strategies, including the use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department of treasury's strategy to manage delinquent accounts once those accounts exceed the vendor's or contractor's contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 938. Revenue collected in the qualified heavy equipment rental personal property exemption reimbursement fund is appropriated and shall be distributed in accordance with section 9 of the qualified heavy equipment rental personal property specific tax act, 2022 PA 35, MCL 211.1129.

Sec. 941. (1) From the funds appropriated in part 1, the department of treasury, in conjunction with the MSF, shall report to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part by November 1 on the annual cost of the MEGA tax credits. The report shall include the board-approved credit amount, adjusted for credit amendments if applicable, and the actual and projected value of tax credits, for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits if available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the department of treasury, in conjunction with the MSF, shall submit a report to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 944. From the funds appropriated in part 1, if the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department shall retain any report provided to the department by that consultant, notify the report recipients described in section 205 of this part and shall make that report available upon request to the report recipients described in section 205 of this part. A rationale for retention of a pension plan consultant shall be included in the notification of retention.

Sec. 945. From the funds appropriated in part 1, audits of local unit assessment administration practices, procedures, and records shall be conducted in each assessment jurisdiction a minimum of once every 5 years and in accordance with section 10g of the general property tax act, 1893 PA 206, MCL 211.10g.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed in accordance with sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

Sec. 947. It is the intent of the legislature that financial independence teams cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed \$2,000,000.00 or the amount of the refunds identified as potentially fraudulent and for which payment of the refund is denied, whichever is less. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part 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 information pertinent to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for city income tax administration program, the department of treasury may expand its individual income tax administration for any additional cities that establish service level agreements with the department for this purpose. In addition to the funds appropriated in part 1, any additional local funds received as part of the service level agreements are appropriated to the department for staffing and administration of the program.

Sec. 949b. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, including tax capture revenues collected for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the MSF for administrative expenses, are appropriated in accordance with chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 949c. From the funds appropriated in part 1, funds shall be expended in coordination with the department of agriculture and rural development to improve the timely processing and issuance of tax credits from the Michigan's farmland and open space preservation program created under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207, including, but not limited to, all of the following:

- (a) Timely review of mailed applications and paperwork.

- (b) Timely and proactive communications to applicants regarding the status of the applicant's application.
- (c) A clear and understood timeline for the issuance of any tax credits.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department of treasury 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 of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department of treasury'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 of treasury shall submit a report by March 15 that describes 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 must provide the department of treasury with 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 population of more than 2,000,000 according to the 2000 federal decennial census is appropriated and shall be distributed in accordance with section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

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 must be distributed in accordance with part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and must be distributed in accordance with the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

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 under section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 949m. From the funds appropriated in part 1, the Michigan infrastructure council shall plan, conduct, and contract for asset management improvement activities, including, but not limited to, infrastructure data collection activities, asset manager training, development of a 30-year asset management plan for this state, assistance in asset management improvement projects including maintaining an asset management portal, and other projects that promote improved asset management for infrastructure in this state.

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, villages, and townships such that, subject to fulfilling the requirements under subsection (4), each city, village, or township that received a city, village, and township revenue sharing payment under section 108(11) of article 5 of 2022 PA 166 is eligible to receive the following amounts described in subdivisions (a), (b), and (c), subject to subdivision (d):

(a) An amount equal to 104.0% of its total eligible city, village, and township revenue sharing payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar.

(b) An additional amount equal to 1.0% of its total eligible city, village, and township revenue sharing payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar. Payments under this subdivision must be distributed to each city, village, or township subject to the city, village, or township certifying to the department of treasury that the city, village, or township has fully obligated or expended, by December 31, 2023, or declined the total amount of federal funds allocated to the city, village, or township under the American rescue plan act of 2021, Public Law 117-2. A city, village, or township must certify to the department of treasury by March 30, 2024 in a form and manner prescribed by the department of treasury.

(c) An additional amount to be used for funding local public safety initiatives, equal to 2.0% of its total eligible city, village, and township revenue sharing payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar.

(d) For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township must be treated as a single entity, such that when determining the eligible city, village, and township revenue sharing payment under section 108(11) of article 5 of 2022 PA 166 for the combined single entity, the city, village, and township revenue sharing amount each of the merging local units of government was eligible to receive under section 108(11) of article 5 of 2022 PA 166 is summed.

(2) As used in this section, “local public safety initiatives” includes, but is not limited to, recruitment or retention efforts, training programs, new equipment purchases or equipment replacements, or capital improvements to public safety buildings or structures. All local public safety initiative expenses must be related to public safety.

(3) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to 20% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. 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. Except as otherwise provided under this subsection, payments under this subsection must be distributed to an eligible county subject to the county’s fulfilling the requirements under subsection (4).

(4) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by the first Thursday of December or, for any payment month other than December, by the first day of the payment month, that it has produced a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the internet website address location for its debt service report and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk’s office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the debt service report and a copy of the projected budget report to the department of treasury. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(5) City, village, and township revenue sharing payments and county incentive program payments are subject to all of the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (4) and submitted the debt service report and projected budget report as required by subsection (4). A department of treasury review of the debt service report and the projected budget report is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (3). The department of treasury shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection (4), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (4). After the specified due date for subsection (4), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (3) shall be issued to counties until the specified due date for subsection (4). After the specified due date for subsection (4), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, debt service report, and projected budget report by the specified due date stipulated in subsection (4) for the December payment or by the first day of a payment month for all payments after the December payment, the city, village, township, or county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and 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.

(6) 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, or 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.

(7) Any city, village, or township eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate to its pension unfunded liability an amount equal to its current year eligible payment under subsection (1) less an amount equal to 2.0% of its total eligible payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar, less the sum of its eligible payment for city, village, and township revenue sharing under section 108(11) and (15) of article 5 of 2022 PA 166. A city, village, or township that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement. For the fiscal year ending September 30, 2024, this subsection does not apply to a city, village, or township that receives a local unit municipal pension principal payment grant described in section 979(a) of article 5 of 2022 PA 166.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury such that each eligible county receives the following amounts described in subdivisions (a), (b), and (c), subject to subdivision (d):

(a) A payment equal to 116.459281856% 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(3) of this part.

(b) An additional payment equal to 1.0% of a county's total eligible payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar. Payments under this subdivision must be distributed to each county subject to the county certifying to the department of treasury that the county has fully obligated or expended, by December 31, 2023, or declined the total amount of federal funds allocated to the county under the American rescue plan act of 2021, Public Law 117-2. A county must certify to the department of treasury by March 30, 2024 in a form and manner prescribed by the department of treasury. Funds not expended under this subdivision shall be available for expenditure under the program for financially distressed cities, villages, or 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.

(c) An additional payment equal to 2.0% of its total eligible payment under section 108(11) of article 5 of 2022 PA 166, rounded to the nearest dollar. The extra 2.0% payment is to be used only for funding local public safety initiatives.

(d) The amounts 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) As used in this section, "local public safety initiatives" include, but are not limited to, recruitment or retention efforts, training programs, new equipment purchases or equipment replacements, or capital improvements to public safety buildings or structures. All local public safety initiative expenses must be related to public safety.

(3) Any county eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate to its pension unfunded liability an amount equal to the sum of its current year eligible payment for county revenue sharing under subsection (1) and the county incentive program under section 952(3) less an amount equal to 2.0% of the sum of its total eligible payment under section 108(11) of article 5 of 2022 PA 166, less the sum of its eligible payment for county revenue sharing under section 108(11) and (15) of article 5 of 2022 PA 166. A county that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement. For the fiscal year ending September 30, 2024, this subsection does not apply to a county that receives a local unit municipal pension principal payment grant described in section 979(a) of article 5 of 2022 PA 166.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, or townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction; or to administer other projects that move the city, village, or township toward financial stability. The department of treasury shall award not more than \$2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall submit a report by March 31 that includes a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, or townships are designated as a work project appropriation, and any unencumbered or unallotted 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:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is \$2,500,000.00.

(d) The tentative completion date is September 30, 2028.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales for promotion and advertising.

CASINO GAMING

Sec. 971. (1) From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a.

(2) After the Michigan gaming control board has incurred the costs of regulating and enforcing internet sports betting, \$500,000.00 is appropriated and shall be deposited into the compulsive gaming prevention fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416. Following these disbursements, \$2,000,000.00 is appropriated and shall be deposited in the first responder presumed coverage fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

(3) An appropriation of \$500,000.00 shall be deposited into the compulsive gaming prevention fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, except as provided in section 15(2) of the lawful internet gaming act, 2019 PA 152, MCL 432.315, and after the board has incurred the costs of regulating and enforcing internet gaming under the lawful internet gaming act, 2019 PA 152, MCL 432.301 to 432.322, and the costs of administering and enforcing millionaire party activity authorized by the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152. Following these disbursements, \$2,000,000.00 is appropriated and shall be deposited into the first responder presumed coverage fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

Sec. 972. After all other required expenditures described in section 16(3) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516; section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316; and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416 are made, any

money remaining in the fantasy contest fund, internet gaming fund, and internet sports betting fund are appropriated and shall be deposited into the state school aid fund as described in section 16(3)(b) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516; section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316; and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursement of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

(5) The director of the MDSP and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and to the report recipients required in section 205 of this part on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

Sec. 975. It is the intent of the legislature that, in expending the funds appropriated in part 1 for advertising for responsible gaming, the Michigan gaming control board coordinate with MDHHS on strategies to support addiction prevention and education efforts in addition to advertising for responsible gaming. The Michigan gaming control board shall submit a report on the expenditures and programming funded from the appropriations in part 1 for advertising for responsible gaming by September 1 of the current fiscal year.

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than \$5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the equine development fund, except for the racing commission appropriations, shall be reduced proportionately if revenues to the equine development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall submit a report of that data to the senate and house appropriations subcommittees on agriculture. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If the Michigan gaming control board receives an amount of funding for the regulatory costs of conducting racing dates that is greater than the actual regulatory cost of conducting the racing dates, the balance remains in the equine development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If the Michigan gaming control board receives an amount of funding for the regulatory costs of conducting racing dates that is less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. From the funds appropriated in part 1 for millionaire party regulation, the Michigan gaming control board may receive and expend internet gaming fund revenue in an amount not to exceed the amount appropriated in part 1 for necessary expenses incurred in the licensing and regulation of millionaire parties under article 2 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused internet gaming fund revenues are subject to the distribution requirements in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316. The Michigan gaming control board shall submit a report by March 1 that includes, but is not limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, and any enforcement actions taken.

ONE-TIME APPROPRIATIONS

Sec. 990. (1) From the funds appropriated in part 1 for the local unit municipal retirement pension and health care benefit premium payment grants, the department of treasury shall establish and operate a grant program that provides the most substantial relief to local units of government that experience the greatest burden from qualified pension and retirement health benefit systems on their annual budget and revenues.

(2) The department of treasury shall consult with relevant stakeholders to develop a method of distribution and the necessary requirements for local units of government to qualify for grants to ensure that the grants have the greatest impact.

(3) The department of treasury shall provide the grant requirements and formula to the report recipients required in section 205 of this part, not less than 45 days before publishing the application requirements to the public.

Sec. 991. (1) From the funds appropriated in part 1 for high-crime community support, grants must be awarded to county prosecutors to address caseload backlogs. To be eligible for a grant, an office of a county prosecutor must receive the same amount of funding from the county in fiscal year 2023-2024 as the office of the county prosecutor received from the county in fiscal year 2022-2023. An office of a county prosecutor that receives a grant shall do both of the following:

(a) Use the grant proceeds to reduce the average caseload per attorney.

(b) Submit a report on the number of staff, average caseload per attorney, and local funding.

(2) Grants under subsection (1) must be awarded as follows:

(a) \$1,000,000.00 to a county with a population of between 170,000 and 180,000 according to the most recent federal decennial census.

(b) \$1,000,000.00 to a county with a population of between 260,000 and 270,000 according to the most recent federal decennial census.

(c) \$1,000,000.00 to a county with a population of between 280,000 and 290,000 according to the most recent federal decennial census.

(d) \$1,000,000.00 to a county with a population of between 190,000 and 191,000 according to the most recent federal decennial census.

(e) \$5,000,000.00 to a county with a population of greater than 1,700,000 according to the most recent federal decennial census.

(f) \$3,000,000.00 to a county with a population of between 400,000 and 500,000 according to the most recent federal decennial census.

Sec. 992. (1) The election administration support fund is created within the department of treasury.

(2) Any unexpended funds in the election administration support fund created in this section shall be carried forward and are available for expenditure under this section.

(3) Funds may be spent from the election administration support fund only on appropriation, or legislative transfer pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) The state treasurer may receive money or other assets from any source for deposit into the election administration support fund. The state treasurer shall direct the investment of the election administration support fund. The state treasurer shall credit to the election administration support fund interest and earnings from the election administration support fund.

(5) Funds in the election administration support fund at the close of the fiscal year remain in the election administration support fund and do not lapse to the general fund.

(6) Funds appropriated in part 1 for election administration support fund must be deposited in the election administration support fund created under this section.

Sec. 993. From the funds appropriated in part 1 for beverage container distributor grants, \$8,000,000.00 shall be utilized for grants to distributors licensed by the liquor control commission for costs associated with the beverage container deposit program under 1976 IL 1, MCL 445.571 to 445.576. Grant awards must equal 1/2 of 1 cent per returnable container of a beer, ale, or other malt drink of whatever alcoholic content or a mixed wine drink or a mixed spirit drink sold by the applicant as determined by the department of treasury. Grants shall be awarded on a proportional basis if grant applications exceed the allocated \$8,000,000.00.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of this state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer’s common cash fund during the period in which the advances are outstanding and are repaid to the general fund of this state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of this state an amount equal to that expended from the general fund plus interest, if any, as described in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects. The state building authority shall reimburse the state treasurer for the advances when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director of the state building authority.

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, “revenue” includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. The state building authority shall submit a report to the JCOS regarding the status of construction projects associated with state building authority bonds as of September 30, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, all of the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS
(Amounts in millions)
Fiscal Year 2023-2024

	Beginning Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS			
General fund/general purpose	1,985.6	12,984.4	14.1
School aid fund	2,343.4	19,589.7	224.5
Federal aid	0.0	27,349.4	0.0
Transportation funds	0.0	7,947.7	0.0
Special revenue funds	1,796.1	8,385.2	1,947.0
Other funds	1,887.7	108.9	1,996.6
TOTALS	\$8,012.8	\$76,365.3	\$4,182.2

ARTICLE 6
DEPARTMENT OF HEALTH AND HUMAN SERVICES
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	15,855.5	
Average population	798.0	
GROSS APPROPRIATION		\$ 35,734,583,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		14,676,900
ADJUSTED GROSS APPROPRIATION		\$ 35,719,906,100
Federal revenues:		
Social security act, temporary assistance for needy families		570,248,300
Capped federal revenues		515,551,100
Coronavirus state fiscal recovery fund		2,500,000
Total other federal revenues		24,718,521,800
Special revenue funds:		
Total local revenues		162,620,500
Total private revenues		179,694,600
Michigan merit award trust fund		61,268,700
Total other state restricted revenues		3,045,365,700
State general fund/general purpose		\$ 6,464,135,400
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	945.4	
Unclassified salaries—FTEs	6.0\$	1,363,300
Administrative hearings officers		9,995,400
Child welfare institute—FTEs	55.0	9,313,800
Demonstration projects—FTEs	7.0	7,070,800
Departmental administration and management—FTEs	660.4	108,031,300
Legal services		100,000
Office of inspector general—FTEs	197.0	25,869,800
Property management		61,762,900
Terminal leave payments		7,091,300
Training and program support—FTEs	26.0	3,637,700
Warehouse operations		1,400,000
Worker's compensation		8,265,500
GROSS APPROPRIATION		\$ 243,901,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		1,939,800
IDG from department of technology, management, and budget - office of retirement services		600
Federal revenues:		
Social security act, temporary assistance for needy families		27,456,600
Capped federal revenues		19,632,800
Total other federal revenues		73,685,700
Special revenue funds:		
Total local revenues		86,000
Total private revenues		3,846,900
Total other state restricted revenues		1,337,300
State general fund/general purpose		\$ 115,916,100

	For Fiscal Year Ending Sept. 30, 2024	
Sec. 103. CHILD SUPPORT ENFORCEMENT		
Full-time equated classified positions	193.7	
Child support enforcement operations—FTEs	187.7\$	25,679,000
Child support incentive payments	\$	24,409,600
Legal support contracts		131,600,300
State disbursement unit—FTEs	6.0	7,362,800
GROSS APPROPRIATION	\$	189,051,700
Appropriated from:		
Federal revenues:		
Capped federal revenues		14,839,600
Total other federal revenues		148,956,600
State general fund/general purpose	\$	25,255,500
Sec. 104. COMMUNITY SERVICES AND OUTREACH		
Full-time equated classified positions	56.0	
Bureau of community services and outreach—FTEs	24.0\$	3,485,900
Community services and outreach administration—FTEs	20.0	7,292,300
Community services block grant		25,840,000
Diaper assistance grant		4,404,400
Homeless programs—FTE	1.0	24,002,500
Housing and support services		13,031,000
Kids’ food basket		525,000
Runaway and homeless youth grants		13,126,100
School success partnership program		1,525,000
Weatherization assistance		20,505,000
Weatherization assistance - IIJA—FTEs	11.0	40,000,000
GROSS APPROPRIATION	\$	153,737,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		18,665,800
Capped federal revenues		96,708,000
Total other federal revenues		14,329,000
Special revenue funds:		
State general fund/general purpose	\$	24,034,400
Sec. 105. CHILDREN’S SERVICES AGENCY - CHILD WELFARE		
Full-time equated classified positions	4,111.2	
Adoption subsidies	\$	228,608,800
Adoption support services—FTEs	10.0	41,597,900
Attorney general contract		5,191,100
Child abuse and neglect - children’s justice act—FTE	1.0	627,000
Child care fund		265,968,500
Child care fund - indirect cost allotment		3,500,000
Child protection		2,050,300
Child welfare administration travel		390,000
Child welfare field staff - noncaseload compliance—FTEs	353.0	41,187,200
Child welfare licensing—FTEs	59.0	7,352,900
Child welfare medical/psychiatric evaluations		9,428,500
Children’s protective services - caseload staff—FTEs	1,615.0	170,557,800
Children’s protective services supervisors—FTEs	387.0	47,831,200
Children’s services administration—FTEs	212.2	26,881,900
Children’s trust fund—FTEs	12.0	4,910,900
Contractual services, supplies, and materials		9,567,600
Court-appointed special advocates		1,000,000
Education planners—FTEs	15.0	1,990,000

		For Fiscal Year Ending Sept. 30, 2024
Family preservation and prevention services administration—FTEs	9.0	1,405,200
Family preservation programs—FTEs	34.0	56,987,700
Foster care payments	\$	284,357,600
Foster care services - caseload staff—FTEs	966.0	97,767,400
Foster care services supervisors—FTEs	227.0	30,935,600
Guardianship assistance program		12,384,200
Interstate compact		179,600
Peer coaches—FTEs	45.5	6,267,400
Performance-based funding implementation—FTEs	3.0	553,800
Permanency resource managers—FTEs	28.0	3,482,400
Prosecuting attorney contracts		8,142,800
Raise the age fund		13,150,000
Second line supervisors and technical staff—FTEs	126.0	19,801,300
Settlement monitor		2,709,800
Strong families/safe children		12,600,000
Title IV-E compliance and accountability office—FTEs	4.0	457,000
Youth in transition—FTEs	4.5	8,178,500
GROSS APPROPRIATION	\$	1,428,001,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		244,400
Federal revenues:		
Social security act, temporary assistance for needy families		322,909,800
Capped federal revenues		105,467,300
Total other federal revenues		268,687,500
Special revenue funds:		
Local funds - county chargeback		33,295,400
Private - collections		1,500,000
Children's trust fund		2,895,300
Total other state restricted revenues		2,000,000
State general fund/general purpose	\$	691,002,200
Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
Full-time equated classified positions	132.5	
Bay Pines Center—FTEs	53.0\$	6,485,300
Committee on juvenile justice administration—FTEs	2.5	362,600
Committee on juvenile justice grants		3,000,000
Community support services—FTEs	3.0	1,507,600
County juvenile officers		3,977,600
Juvenile justice, administration and maintenance—FTEs	21.0	3,801,200
Shawono Center—FTEs	53.0	6,523,700
GROSS APPROPRIATION	\$	25,658,000
Appropriated from:		
Federal revenues:		
Capped federal revenues		7,709,400
Total other federal revenues		220,000
Special revenue funds:		
Local funds - state share education funds		1,362,600
Local funds - county chargeback		5,158,900
State general fund/general purpose	\$	11,207,100
Sec. 107. PUBLIC ASSISTANCE		
Full-time equated classified position	1.0	
Emergency services local office allocations	\$	8,813,500
Family independence program		53,625,600

	For Fiscal Year Ending Sept. 30, 2024	
Family independence program - clothing allowance	\$	10,000,000
Family independence program - small child supplemental payment		6,240,100
Food assistance program benefits		5,273,474,400
Food Bank Council of Michigan		12,045,000
Indigent burial		3,869,100
Low-income home energy assistance program		174,951,600
Michigan energy assistance program—FTE	1.0	50,000,000
Refugee assistance program		7,954,200
State disability assistance payments		4,463,700
State supplementation		54,491,100
State supplementation administration		1,806,100
GROSS APPROPRIATION	\$	5,661,734,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		67,196,600
Capped federal revenues		182,905,800
Total other federal revenues		5,268,764,400
Special revenue funds:		
Child support collections		8,798,900
Low-income energy assistance fund		50,000,000
Public assistance recoupment revenue		4,868,300
Supplemental security income recoveries		992,400
State general fund/general purpose	\$	78,208,000
Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES		
Full-time equated classified positions	5,758.5	
Administrative support workers—FTEs	167.0\$	14,515,000
Adult services local office staff—FTEs	550.0	66,489,700
Contractual services, supplies, and materials		25,033,700
Donated funds positions—FTEs	237.0	28,462,200
Elder Law of Michigan MiCAFE contract		350,000
Electronic benefit transfer (EBT)		9,714,000
Employment and training support services		4,219,100
Food assistance reinvestment—FTEs	16.0	7,438,300
Local office policy and administration—FTEs	125.0	19,597,300
Local office staff travel		8,252,400
Medical/psychiatric evaluations		1,120,100
Nutrition education—FTEs	2.0	33,037,700
Pathways to potential—FTEs	231.0	25,390,700
Public assistance local office staff—FTEs	4,430.5	485,275,200
SSI advocacy legal services grant		375,000
GROSS APPROPRIATION	\$	729,270,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		120,200
IDG from department of education		7,766,600
Federal revenues:		
Social security act, temporary assistance for needy families		73,233,900
Capped federal revenues		55,328,300
Total other federal revenues		276,575,100
Special revenue funds:		
Local funds - donated funds		4,253,600
Private funds - donated funds		9,759,300
Private revenues		250,000
State general fund/general purpose	\$	301,983,400

For Fiscal Year
Ending Sept. 30,
2024

Sec. 109. DISABILITY DETERMINATION SERVICES

Full-time equated classified positions	628.4	
Disability determination operations—FTEs	624.3\$	122,603,000
Retirement disability determination—FTEs	4.1	636,200
GROSS APPROPRIATION	\$	123,239,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of technology, management, and budget - office of retirement services		812,800
Federal revenues:		
Total other federal revenues		118,628,300
State general fund/general purpose	\$	3,798,100

Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions	82.0	
Behavioral health program administration—FTEs	45.0\$	54,084,900
Community substance use disorder prevention, education, and treatment—FTEs	9.0	79,599,700
Family support subsidy		12,654,900
Federal and other special projects		2,535,600
Gambling addiction—FTE	1.0	5,517,400
Mental health diversion council		3,850,000
Michigan Clinical Consultation and Care		4,609,100
Office of recipient rights—FTEs	25.0	3,400,200
Opioid response activities—FTEs	2.0	90,354,600
Protection and advocacy services support		194,400
GROSS APPROPRIATION	\$	256,800,800
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		12,654,900
Total other federal revenues		171,714,200
Special revenue funds:		
Total private revenues		2,904,700
Total other state restricted revenues		31,000,600
State general fund/general purpose	\$	38,526,400

Sec. 111. BEHAVIORAL HEALTH SERVICES

Full-time equated classified positions	18.0	
Autism services	\$	279,257,100
Behavioral health community supports and services—FTEs	7.0	43,945,200
Certified community behavioral health clinic demonstration		386,381,700
Civil service charges		297,500
Community mental health non-Medicaid services		125,578,200
Federal mental health block grant—FTEs	4.0	24,461,100
Health homes		53,400,100
Healthy Michigan plan - behavioral health		590,860,800
Medicaid mental health services		3,160,958,400
Medicaid substance use disorder services		95,264,000
Multicultural integration funding		17,284,900
Nursing home PAS/ARR-OBRA—FTEs	7.0	13,970,100
State disability assistance program substance use disorder services		2,018,800
GROSS APPROPRIATION	\$	4,793,677,900
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		421,000

	For Fiscal Year Ending Sept. 30, 2024	
Capped federal revenues	\$	184,500
Total other federal revenues		3,265,311,600
Special revenue funds:		
Total local revenues		10,190,500
Total other state restricted revenues		46,746,700
State general fund/general purpose	\$	1,470,823,600

**Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC
MENTAL HEALTH SERVICES**

Full-time equated classified positions	2,546.6	
Average population	798.0	
Caro Regional Mental Health Center - psychiatric hospital - adult—FTEs	530.7\$	59,884,200
Average population	145.0	
Center for forensic psychiatry—FTEs	624.5	100,265,800
Average population	240.0	
Developmental disabilities council and projects—FTEs	10.0	3,165,200
Gifts and bequests for patient living and treatment environment		1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents—FTEs	371.4	52,140,300
Average population	83.0	
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult—FTEs	561.2	71,022,900
Average population	170.0	
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,100
Special maintenance		924,600
State hospital administration—FTEs	34.0	5,598,500
Walter P. Reuther Psychiatric Hospital - adult—FTEs	414.8	68,726,900
Average population	160.0	
GROSS APPROPRIATION	\$	364,044,100

Appropriated from:

Federal revenues:		
Total other federal revenues		46,120,600
Special revenue funds:		
Total local revenues		23,283,200
Total private revenues		1,000,000
Total other state restricted revenues		15,189,200
State general fund/general purpose	\$	278,451,100

Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Full-time equated classified positions	74.3	
Cellular therapy for Versiti Michigan	\$	750,000
Certificate of need program administration—FTEs	11.3	2,713,000
Child advocacy centers		1,407,000
Child advocacy centers - supplemental grants		2,000,000
Community health programs		10,000,000
Crime victim grants administration services—FTEs	17.0	3,038,200
Crime victim justice assistance grants		78,579,300
Crime victim rights services grants		19,869,900
Crime victim rights sustaining grants		30,000,000
Critical health and wellness center operations		1,500,000
Domestic violence prevention and treatment—FTEs	15.6	18,340,200
Human trafficking intervention services—FTE	1.0	200,000
Michigan essential health provider		3,519,600
Minority health grants and contracts—FTEs	3.0	1,145,200
Nurse education and research program—FTEs	3.0	814,900

		For Fiscal Year Ending Sept. 30, 2024
Policy and planning administration—FTEs	19.9	2,662,300
Primary care services—FTEs	3.0	3,803,900
Rape prevention and services—FTEs	0.5	5,097,300
Rural health services	\$	175,000
Uniform statewide sexual assault evidence kit tracking system		369,500
GROSS APPROPRIATION	\$	185,985,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		2,400
IDG from department of licensing and regulatory affairs		814,900
IDG from department of treasury, Michigan finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		6,736,000
Capped federal revenues		10,704,100
Total other federal revenues		86,204,200
Special revenue funds:		
Total private revenues		865,000
Child advocacy centers fund		1,407,000
Compulsive gambling prevention fund		1,040,500
Crime victim's rights fund		18,761,500
Sexual assault victims' prevention and treatment fund		3,000,000
Total other state restricted revenues		3,264,000
State general fund/general purpose	\$	53,068,000

**Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES,
AND LABORATORY**

Full-time equated classified positions	449.9	
Bioterrorism preparedness—FTEs	53.0\$	30,807,300
Childhood lead program—FTEs	4.5	2,330,900
Emergency medical services program—FTEs	27.0	8,974,200
Epidemiology administration—FTEs	73.5	26,094,400
Healthy homes program—FTEs	66.0	56,287,900
Laboratory services—FTEs	102.0	30,243,600
Newborn screening follow-up and treatment services—FTEs	10.5	9,237,300
PFAS and environmental contamination response—FTEs	43.0	20,346,400
Vital records and health statistics—FTEs	70.4	11,393,500
GROSS APPROPRIATION	\$	195,715,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of environment, Great Lakes, and energy		1,797,800
Federal revenues:		
Capped federal revenues		81,100
Total other federal revenues		77,138,300
Special revenue funds:		
Total private revenues		1,342,600
Total other state restricted revenues		31,345,600
State general fund/general purpose	\$	84,010,100

Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Full-time equated classified positions	189.1	
AIDS prevention, testing, and care programs—FTEs	79.5\$	110,575,400
Cancer prevention and control program—FTEs	18.0	15,858,500
Chronic disease control and health promotion administration—FTEs	28.4	10,317,400
Diabetes and kidney program—FTEs	8.0	4,172,000
Essential local public health services		76,419,300

	For Fiscal Year Ending Sept. 30, 2024	
Implementation of 1993 PA 133, MCL 333.17015	\$	20,000
Local health services—FTEs	3.3	8,704,800
Medicaid outreach cost reimbursement to local health departments		12,500,000
Public health administration—FTEs	8.0	2,104,200
Sexually transmitted disease control program—FTEs	20.0	8,483,300
Smoking prevention program—FTEs	15.0	4,621,900
Violence prevention—FTEs	8.9	13,518,800
GROSS APPROPRIATION	\$	267,295,600
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		2,300
Total other federal revenues		90,246,900
Special revenue funds:		
Total local revenues		5,150,000
Total private revenues		74,437,700
Total other state restricted revenues		11,790,800
State general fund/general purpose	\$	85,667,900
Sec. 116. FAMILY HEALTH SERVICES		
Full-time equated classified positions	139.1	
Child and adolescent health care and centers	\$	41,242,700
Dental programs—FTEs	5.3	5,034,200
Drinking water declaration of emergency		4,271,000
Family, maternal, and child health administration—FTEs	49.0	10,660,300
Family planning local agreements		15,810,700
Immunization program—FTEs	20.8	20,652,900
Local MCH services		7,018,100
Pregnancy prevention program		1,297,900
Prenatal care and premature birth avoidance grant		1,000,000
Prenatal care outreach and service delivery support—FTEs	19.0	43,335,800
Special projects		6,289,100
Sudden and unexpected infant death and suffocation prevention program		321,300
Women, infants, and children program administration and special projects—FTEs	45.0	19,520,800
Women, infants, and children program local agreements and food costs		231,285,000
GROSS APPROPRIATION	\$	407,739,800
Appropriated from:		
Federal revenues:		
Total other federal revenues		248,524,400
Special revenue funds:		
Total local revenues		42,817,700
Total private revenues		64,785,700
Total other state restricted revenues		4,049,500
State general fund/general purpose	\$	47,562,500
Sec. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Full-time equated classified positions	48.8	
Bequests for care and services—FTEs	2.8\$	2,087,100
Children's special health care services administration—FTEs	46.0	8,117,100
Medical care and treatment		259,525,100
Outreach and advocacy		6,722,200
GROSS APPROPRIATION	\$	276,451,500
Appropriated from:		
Federal revenues:		
Total other federal revenues		147,878,100

	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Total private revenues	\$	1,044,100
Total other state restricted revenues		4,433,300
State general fund/general purpose	\$	123,096,000
Sec. 118. AGING SERVICES		
Community services	\$	55,506,900
Employment assistance		3,500,000
Nutrition services		48,054,200
Respite care program		6,468,700
Senior volunteer service programs		4,765,300
GROSS APPROPRIATION	\$	118,295,100
Appropriated from:		
Federal revenues:		
Total other federal revenues		63,637,400
Special revenue funds:		
Total private revenues		300,000
Michigan merit award trust fund		4,068,700
Total other state restricted revenues		2,000,000
State general fund/general purpose	\$	48,289,000
Sec. 119. HEALTH AND AGING SERVICES ADMINISTRATION		
Full-time equated classified positions	464.0	
Aging services administration—FTEs	43.0\$	9,515,300
Health services administration—FTEs	421.0	118,626,600
GROSS APPROPRIATION	\$	128,141,900
Appropriated from:		
Federal revenues:		
Total other federal revenues		84,266,700
Special revenue funds:		
Total local revenues		37,700
Total private revenues		1,721,300
Total other state restricted revenues		336,300
State general fund/general purpose	\$	41,779,900
Sec. 120. HEALTH SERVICES		
Adult home help services	\$	540,953,300
Ambulance services		21,852,500
Auxiliary medical services		6,753,000
Dental clinic program		1,000,000
Dental services		355,154,900
Federal Medicare pharmaceutical program		332,826,100
Health plan services		6,551,702,300
Healthy Michigan plan		5,325,052,400
Home health services		6,386,900
Hospice services		143,923,800
Hospital disproportionate share payments		45,000,000
Hospital services and therapy		820,277,800
Integrated care organizations		429,705,300
Long-term care services		2,040,743,900
Maternal and child health		17,255,500
Medicaid home- and community-based services waiver		464,832,100
Medicare premium payments		856,586,100
Personal care services		6,577,500
Pharmaceutical services		333,906,700
Physician services		224,119,800

	For Fiscal Year Ending Sept. 30, 2024
Plan first	\$ 6,000,000
Program of all-inclusive care for the elderly	247,864,500
Recuperative care	297,600
School-based services	172,856,000
Special Medicaid reimbursement	329,863,900
Transportation	21,120,700
GROSS APPROPRIATION	\$ 19,302,612,600
Appropriated from:	
Federal revenues:	
Total other federal revenues	13,919,433,800
Special revenue funds:	
Total local revenues	36,984,900
Total private revenues	10,687,300
Michigan merit award trust fund	57,200,000
Total other state restricted revenues	2,798,098,100
State general fund/general purpose	\$ 2,480,208,500
Sec. 121. INFORMATION TECHNOLOGY	
Full-time equated classified positions	11.0
Bridges information system—FTEs	10.0\$ 114,571,700
Child support automation	45,567,200
Comprehensive child welfare information system	8,259,800
Information technology services and projects	240,591,300
Michigan Medicaid information system—FTE	1.0 105,285,100
Michigan statewide automated child welfare information system	21,539,800
GROSS APPROPRIATION	\$ 535,814,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	1,059,700
Federal revenues:	
Social security act, temporary assistance for needy families	24,471,400
Capped federal revenues	21,990,200
Total other federal revenues	337,235,600
Special revenue funds:	
Total private revenues	5,250,000
Total other state restricted revenues	2,010,400
State general fund/general purpose	\$ 143,797,600
Sec. 122. ONE-TIME APPROPRIATIONS	
Full-time equated classified positions	6.0
Adult day center	\$ 500,000
Affordable housing project	4,000,000
Alternative payment model transition	6,000,000
ARP - behavioral health professional recruitment and retention	2,500,000
Behavioral health care services and facilities	3,000,000
Behavioral health patient health information tool	2,000,000
Behavioral health program administration	1,000,000
Behavioral health services	2,500,000
Behavioral health workforce expansion - accelerated degree program	5,000,000
Biomarker testing	3,500,000
Biomedical research and science education	1,000,000
Cancer infusion center	2,000,000
Caregiver resource center	5,000,000
Child and family campus project	6,000,000
Children's health care access program	250,000

	For Fiscal Year Ending Sept. 30, 2024
Children's rehabilitation hospital	\$ 5,000,000
Chronic disease control and health promotion administration	130,000
Community-based coverage entity	1,200,000
Community health programs	36,000,000
Community health residency program	2,000,000
Community information exchange	2,000,000
Community opportunity hub	1,000,000
Community violence prevention - community grant program	5,000,000
Community violence prevention - gun safety and training	1,000,000
Complex medical condition center	350,000
Comprehensive child welfare information system—FTEs	6.0 6,924,000
Court-appointed special advocates	1,500,000
Crisis stabilization capacity	4,000,000
Critical access hospital renovation	7,325,000
Critical medication reserve	6,000,000
Dental programs	2,350,000
Developmental milestones toolkit	500,000
Disability and independent living program	150,000
Early detection and education of teenage heart ailments	75,000
Emergency homeless shelter repair and services grant	500,000
Environmental public health program	500,000
Farm day program	250,000
Federally qualified health center	1,500,000
First responder and public safety staff mental health	5,000,000
Food assistance delivery pilot program	5,000,000
Food market expansion	500,000
Health center	2,000,000
Health workforce development	500,000
Healthy communities grant	3,000,000
Homeless shelter operations	500,000
Hospital equipment modernization	1,000,000
Jail diversion fund	2,500,000
Kids' food basket	1,000,000
Maternal health services	10,420,000
Maternal-fetal medicine programming	8,000,000
Medicaid outreach	450,000
Medical debt relief pilot program	4,500,000
Medically underserved area services	700,000
Michigan Clinical Consultation and Care	2,500,000
Michigan crisis and access line	5,000,000
Michigan relief plan	2,000,000
Mobile mammography	1,000,000
Multicultural integration funding	8,600,000
Narcotics awareness program	5,000,000
Native American health services	3,000,000
Prenatal and infant allowance pilot program	16,500,000
Psychiatric GME	8,000,000
Public health operations	3,166,700
Recovery community organizations	1,800,000
Rides to wellness	250,000
Rural obstetric services	1,500,000
Safe opioid use task force	500,000
Senior citizen home renovation	1,183,300

	For Fiscal Year Ending Sept. 30, 2024
Senior nutrition services	\$ 1,000,000
Senior university	400,000
Sickle cell center	2,500,000
Social determinants of health hub - one-time	1,500,000
Substance abuse community and school outreach	1,000,000
Substance use rehabilitation services	3,500,000
Substance use treatment center	10,000,000
Theranostics clinic	20,000,000
Tobacco prevention and cessation programs	1,500,000
University autism center	4,000,000
University dental clinic	4,000,000
Water quality projects	61,439,400
Women’s health grant backfill	2,000,000
GROSS APPROPRIATION	\$ 347,413,400
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	2,500,000
Social security act, temporary assistance for needy families	16,500,000
Total other federal revenues	10,963,400
State general fund/general purpose	\$ 317,450,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$9,570,769,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$1,907,484,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES	
CHILD SUPPORT ENFORCEMENT	
Child support incentive payments	\$ 10,000,000
Legal support contracts	3,000
COMMUNITY SERVICES AND OUTREACH	
Homeless programs	20,000
Housing and support services	117,000
CHILDREN’S SERVICES AGENCY – CHILD WELFARE	
Child care fund	140,000,000
Child care fund - indirect cost allotment	3,500,000
Child welfare licensing	110,000
Child welfare medical/psychiatric evaluations	20,000
Children’s trust fund	65,000
Contractual services, supplies, and materials	5,000
Family preservation programs	10,000
Foster care payments	3,000,000
Raise the age fund	12,650,000
Strong families/safe children	73,000
Youth in transition	200
CHILDREN’S SERVICES AGENCY – JUVENILE JUSTICE	
Bay Pines Center	42,000
Community support services	700,000
Shawono Center	5,000
PUBLIC ASSISTANCE	
Emergency services local office allocations	2,200,000
Family independence program	1,000

	For Fiscal Year Ending Sept. 30, 2024
Indigent burial	\$ 6,000
Michigan energy assistance program	200,000
State disability assistance payments	150,000
LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	
Contractual services, supplies, and materials	120,000
Employment and training support services	5,000
DISABILITY DETERMINATION SERVICES	
Disability determination operations	2,000
Retirement disability determination	100
BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Behavioral health program administration	400,000
Community substance use disorder prevention, education, and treatment	10,000,000
Gambling addiction	1,500,000
Mental health diversion council	400,000
BEHAVIORAL HEALTH SERVICES	
Autism services	95,000,000
Behavioral health community supports and services	6,000
Certified community behavioral health clinic demonstration	85,000,000
Community mental health non-Medicaid services	125,578,200
Health homes	2,000,000
Healthy Michigan plan - behavioral health	59,000,000
Medicaid mental health services	1,045,000,000
Medicaid substance use disorder services	33,000,000
Nursing home PAS/ARR-OBRA	3,000,000
State disability assistance program substance use disorder services	2,018,000
STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Caro Regional Mental Health Center - psychiatric hospital – adult	215,000
Center for forensic psychiatry	600,000
Hawthorn Center - psychiatric hospital - children and adolescents	68,000
Kalamazoo Psychiatric Hospital - adult	85,000
Walter P. Reuther Psychiatric Hospital - adult	55,000
HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
Crime victim rights services grants	11,000,000
Domestic violence prevention and treatment	100,000
Primary care services	100,000
EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	
Childhood lead program	30,000
Epidemiology administration	315,000
Healthy homes program	1,300,000
LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	2,900,000
Cancer prevention and control program	50,000
Essential local public health services	70,000,000
Implementation of 1993 PA 133, MCL 333.17015	400
Local health services	1,140,000
Public health administration	200
Sexually transmitted disease control program	650,000
Smoking prevention program	750,000
FAMILY HEALTH SERVICES	
Drinking water declaration of emergency	221,000

	For Fiscal Year Ending Sept. 30, 2024
Family planning local agreements	\$ 207,000
Immunization program	2,330,000
Pregnancy prevention program	100,000
Prenatal care outreach and service delivery support	8,800,000
CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	700,000
Outreach and advocacy	2,700,000
AGING SERVICES	
Community services	28,658,000
Nutrition services	12,597,200
Respite care program	5,700,000
Senior volunteer service programs	900,000
HEALTH AND AGING SERVICES ADMINISTRATION	
Aging services administration	400,000
HEALTH SERVICES	
Adult home help services	130,000
Ambulance services	755,000
Dental services	1,700,000
Healthy Michigan plan	1,000,000
Home health services	1,800
Hospital services and therapy	3,300,000
Long-term care services	85,000,000
Medicaid home- and community-based services waiver	15,200,000
Personal care services	23,000
Pharmaceutical services	1,000
Physician services	2,800,000
Special Medicaid reimbursement	20,000
Transportation	225,000
ONE-TIME APPROPRIATIONS	
Crisis stabilization capacity	4,000,000
Public health operations	3,166,700
Senior citizen home renovation	1,183,300
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,907,484,900

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

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

- (a) “AIDS” means acquired immunodeficiency syndrome.
- (b) “CMHSP” means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) “CMS” means the Centers for Medicare and Medicaid Services.
- (d) “Current fiscal year” means the fiscal year ending September 30, 2024.
- (e) “Department” means the department of health and human services.
- (f) “Director” means the director of the department.
- (g) “DSH” means disproportionate share hospital.
- (h) “EPSDT” means early and periodic screening, diagnosis, and treatment.
- (i) “Federal poverty level” means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.
- (j) “FQHC” means federally qualified health center.
- (k) “FTE” means full-time equated.
- (l) “GME” means graduate medical education.
- (m) “Health plan” means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department’s comprehensive health plan.
- (n) “HEDIS” means health care effectiveness data and information set.
- (o) “HMO” means health maintenance organization.

- (p) “IDEA” means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (q) “IDG” means interdepartmental grant.
- (r) “MCH” means maternal and child health.
- (s) “Medicaid” means subchapter XIX of the social security act, 42 USC 1396 to 1396w-6.
- (t) “Medicare” means subchapter XVIII of the social security act, 42 USC 1395 to 1395III.
- (u) “MiCAFE” means Michigan’s coordinated access to food for the elderly.
- (v) “MiChild” means the program described in section 1670 of this part.
- (w) “MiSACWIS” means Michigan statewide automated child welfare information system.
- (x) “PAS/ARR-OBRA” means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (y) “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.
- (z) “PIHP” means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
 - (aa) “Previous fiscal year” means the fiscal year ending September 30, 2023.
 - (bb) “Quarterly reports” means 4 reports shall be submitted to the required recipients by the following dates: February 1, April 1, July 1, and September 30 of the current fiscal year.
 - (cc) “Semiannual basis” means March 1 and September 30 of the current fiscal year.
 - (dd) “Settlement” means the settlement agreement entered in the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.
 - (ee) “SSI” means supplemental security income.
 - (ff) “Temporary assistance for needy families” or “TANF” or “title IV-A” means part A of subchapter IV of the social security act, 42 USC 601 to 619.
 - (gg) “Title IV-B” means part B of title IV of the social security act, 42 USC 621 to 629m.
 - (hh) “Title IV-D” means part D of title IV of the social security act, 42 USC 651 to 669b.
 - (ii) “Title IV-E” means part E of title IV of the social security act, 42 USC 670 to 679c.
 - (jj) “Title X” means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

- (a) The funds must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises as defined in Executive Directive No. 2019-08 compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically-disadvantaged business enterprises as defined in Executive Directive No. 2019-08 for services, supplies, or both.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report must be submitted to the report recipients required in section 246 of this part. The report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose 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 the department 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 services that the attorney general authorizes.

Sec. 209. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. This report shall summarize the projected year-end general fund/general purpose 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 to the report recipients required in section 246 of this part.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for federal contingency authorization. Authorized 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. Federal contingency authorization must not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for state restricted contingency authorization. Authorized 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 \$5,000,000.00 for local contingency authorization. Authorized 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 \$12,000,000.00 for private contingency authorization. Authorized 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 the department:

- (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 chairpersons of the senate and house appropriations committees and to the report recipients required in section 246 of this part with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

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

Sec. 215. If either of the following events occurs, within 30 days after that event the department shall notify the report recipients required in section 246 of this part of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation fund sources in part 1 is not limited to collections and accruals pertaining to services provided in the current fiscal year, but also includes reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 217. By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 for the previous fiscal year. The report must itemize, rather than aggregate, specific revenue sources deposited into the generic statewide integrated governmental management application (SIGMA) fund numbers 1200, 1274, 4000, and 5000.

Sec. 218. As required under part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1 must include the following:

- (a) Immunizations.
- (b) Communicable disease control.
- (c) Sexually transmitted infection control.
- (d) Tuberculosis control.
- (e) Prevention of gonorrhea eye infection in newborns.
- (f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.
- (g) Health and human services annex of the Michigan Emergency Management Plan.
- (h) Prenatal care.
- (i) Mental health.

Sec. 219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Michigan Public Health Institute to carry out these purposes for up to a 1-year period.

(2) The department shall submit a report to the report recipients required in section 246 of this part on a semiannual basis that includes all of the following:

- (a) A detailed description of each funded project.
- (b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.
- (c) The expected project duration.
- (d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(3) On a semiannual basis, the department shall provide to the report recipients required in section 246 of this part a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 221. According to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) The department shall submit a report to the report recipients required in section 246 of this part of any major policy changes at least 30 days before the implementation date of those policy changes.

(2) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(3) The department shall submit a report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the joint committee on administrative rules, and to the report recipients required in section 246 of this part.

(4) The department shall attach each policy bulletin issued during the prior calendar year to the report issued in subsection (3).

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the report recipients required in section 246 of this part of that fact.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of those costs shall be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 227. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall submit a report by April 1 of the current fiscal year to the report recipients required in section 246 of this part on the following activities during the previous fiscal year:

- (a) Tobacco tax revenue appropriations in the Medicaid program.
- (b) Project information for each project, including all of the following:
 - (i) Project name.
 - (ii) Appropriation line item and amount.
 - (iii) Target population.
 - (iv) Project description.
 - (v) Project outcomes or accomplishments.

Sec. 228. If the department is authorized under state or federal law to collect an overpayment owed to the department, the department may assess a penalty of 1% per month beginning 60 days after notification. If an overpayment is caused by department error, a penalty may not be assessed until 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. The state share of any funds collected under this section shall be deposited in the state general fund.

Sec. 230. By December 31 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.

Sec. 231. (1) The department shall not expend the funds appropriated in part 1 to enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI Health Link, or behavioral health unless the Medicaid managed care organization agrees to do all of the following:

- (a) Continue the direct care wage increase funded at \$2.35 per hour and provide sufficient funding to increase the wages paid to direct care workers by \$0.85 per hour more than the previous fiscal year for the services noted in DHHS Medicaid provider letter L 21-76 under the Medicaid managed care organization's relevant program.
- (b) Ensure to the greatest extent possible that the full amount for funds appropriated for a direct care worker wage increase, except for costs incurred by the employer, including payroll taxes, resulting from the increase to direct care worker wages under this section, is provided to direct care workers through maintained increased wages.
- (c) Permit a direct care worker to elect, in writing or electronically, to not receive the wage increase provided in this section.
- (d) Require direct care worker agencies that the Medicaid managed care organization subcontracts with to track and report annually the total amount and percentage of Medicaid reimbursements paid to that direct care worker agency that are used to pay direct care worker wages.
- (e) Require direct care worker agencies that the Medicaid managed care provider subcontracts with to track and report annually the hourly wages paid for each direct care worker hired by the direct care worker agency.
- (f) Track annually the hourly wages paid to each direct care worker hired directly by the Medicaid managed care organization or CMHSP.

- (g) Report annually to the department the information required in subdivisions (d), (e), and (f).

- (2) Upon request, the department shall provide to the legislature the report required in subsection (1)(g).

Sec. 232. The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days after approval by the department but not later than January 15 of the current fiscal year. Compliance with this section is not met unless a line-item appropriation name is included in all places that a line-item appropriation number is listed. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private, or federal. Figures included in the approved

spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall provide a list of all contracts and grants and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each contract or grant and amount. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each amount and expenditure.

Sec. 233. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, office, or institution.

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

Sec. 235. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 236. (1) From the funds appropriated in part 1, the department shall do both of the following:

(a) Report to the house and senate appropriations committees and to the report recipients required in section 246 of this part any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the report recipients required in section 246 of this part on the total amount of severance pay remitted to former department employees during the previous fiscal year and the total number of former department employees that were remitted severance pay during the previous fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 238. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 239. For behavioral and physical health services provided through managed care or the fee-for-service program, the department shall require, for the nonfacility component of the reimbursement rate, at least the same reimbursement for that service, if that service is provided through telemedicine, as if the service involved face-to-face contact between the health care professional and the patient.

Sec. 240. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 241. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on total actual expenditures in the previous fiscal year for advertising and media outreach, including the purpose, amount, and fund source by program or appropriation line item.

Sec. 242. By March 1 of the current fiscal year, the department shall submit a description of programs report to the report recipients required in section 246 of this part. The report must include the appropriation unit, the line item name and number, the appropriation history, the program name, the program overview, a financing summary, and, where applicable, the program's legal basis, effectiveness, and outcomes.

Sec. 244. On a monthly basis, the department shall submit a report to the report recipients required in section 246 of this part on any line-item appropriation for which the department estimates total annual expenditures would exceed the funds appropriated for that line-item appropriation by 5% or more. The department shall provide a detailed explanation for any relevant line-item appropriation exceedance and shall identify the corrective actions undertaken to mitigate line-item appropriation expenditures from exceeding the funds appropriated for that line-item appropriation by a greater amount. This section does not apply for line-item appropriations that are part of the May revenue estimating conference caseload and expenditure estimates.

Sec. 246. Except as otherwise provided in this part, all reports required under this part shall be submitted 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.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 253. (1) The department shall ensure that federally recognized tribes are able to apply and compete for services, programs, grants, or contracts.

(2) For competitive grant programs described in this part, federally recognized tribes are eligible to apply for grant funds made available to organizations exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and to local units of government.

Sec. 263. (1) Except as otherwise provided in this subsection, before submission of a waiver, a state plan amendment, or a similar proposal to CMS or other federal agency, the department shall provide notification of the planned submission to the report recipients required in section 246 of this part. This subsection does not apply to the submission of a waiver, a state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of waiver, state plan amendment, or similar proposed submissions.

(2) The department shall provide reports on a semiannual basis to the report recipients required in section 246 of this part summarizing the status of any new or ongoing discussions with CMS, the United States Department of Health and Human Services, or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a semiannual report is due, there are no reportable items, then no report is required to be provided.

Sec. 264. The department shall not take disciplinary action against an employee of the department in the state classified civil service for communicating with a member of the legislature or the member's staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered according to section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part that includes, at a minimum, all of the following:

(a) The total amount recovered from the legal action.

(b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 274. The department, in collaboration with the state budget office, shall submit to the report recipients required in section 246 of this part 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2024 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

- (c) Title IV-B part I child welfare services block grant.
- (d) Title IV-B part II promoting safe and stable families funds.
- (e) Low-income home energy assistance program.

Sec. 275. (1) On a quarterly basis, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations in order to maximize federal revenues. This realignment of financing shall not produce a gross increase or decrease in the department's total individual line item authorizations, nor will it produce a net increase or decrease in total federal revenues, or a net increase in TANF authorization.

(2) On a quarterly basis, the department shall submit a report to the report recipients required in section 246 of this part on the realignment of federal fund sources transacted to date in the current fiscal year under the authority of subsection (1), including the dates, line items, and amounts of the transactions. If, at the time a quarterly report is due, no transactions were made under subsection (1), then no report is required to be provided.

(3) Within 30 days after the date on which year-end book closing is completed, the department shall submit to the report recipients required in section 246 of this part a report on the realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 290. Any public advertisement for public assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 295. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on funds appropriated for the healthy moms, healthy babies initiative. The report must include the budgeted amount, year-to-date expenditures, remaining balance of appropriations, and the percent of budget spent for each appropriation related to the initiative. The report must also include information on how the funds have assisted with meeting the goals and outcomes of the initiative.

Sec. 296. From the funds appropriated in part 1, the department to the extent permissible under section 8 of 1964 PA 170, MCL 691.1408, is responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the employees in any state or federal lawsuit or investigation related to the water system in a city or community in which a declaration of emergency was issued because of drinking water contamination.

Sec. 297. On a quarterly basis, the department shall submit a report to the senate and house appropriations committees and to the report recipients required in section 246 of this part that includes all of the following information:

- (a) The number of FTE positions by pay status and civil service classification.
- (b) A comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. From the funds appropriated in part 1 for child welfare institute, the department shall train private child placing agency staff in the pre-service training requirements for child welfare caseworkers and supervisors. All private child placing agency staff must be provided an opportunity to complete training at their private child placing agency facilities in a virtual format. A hybrid format that includes virtual and in-person instruction must also be available to all private child placing agency staff according to the preference of a given private child placing agency.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 409. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations under 45 CFR 304.50.

(2) The department shall notify the report recipients required in section 246 of this part not later than 30 days after the authorization adjustment under subsection (1).

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$1,525,000.00 of TANF revenue by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

- (a) Increasing school attendance and decreasing chronic absenteeism.
- (b) Increasing academic performance based on grades with emphasis on math and reading.
- (c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.

(d) Increasing parent involvement.

(2) By July 15 of the current fiscal year, the Northeast Michigan Community Service Agency shall submit reports to the department on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the report recipients required in section 246 of this part.

Sec. 453. (1) From the funds appropriated in part 1 for homeless programs, the department shall allocate funds to the emergency shelter program to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. Funding provided shall be equal to or exceed the amount a provider would receive if paid a \$19.00 per diem rate. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the total amount expended for the program in the prior 2 fiscal years, the total number of shelter nights provided, and the average length of stay in an emergency shelter.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF revenue, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF revenue only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000. The use of TANF revenue under this section is not an ongoing commitment of funding.

Sec. 456. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$10,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Public service agencies shall be reimbursed for the cost of the birth certificate fees quarterly until this allocation is fully spent.

Sec. 460. From the funds appropriated in part 1 for kids' food basket, the department shall allocate \$1,525,000.00, of which \$1,000,000.00 is allocated on a 1-time basis, to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a

population between 185,000 and 200,000 according to the most recent federal decennial census and in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. The nonprofit organization recipient shall have an existing network of food delivery to low-income children to at least 3 counties in this state. The nonprofit organization shall use the funds for expansion of services to additional schools and communities. The funding may be used to cover employee costs, food and supplies, equipment, and other operational costs identified by the organization to support their mission and goals.

Sec. 463. From the funds appropriated in part 1 for runaway and homeless youth grants and domestic violence prevention and treatment, the department is authorized to make allocations of TANF revenue only to agencies that report necessary data to the department to meet TANF eligibility reporting requirements.

Sec. 464. (1) From the funds appropriated in part 1 for diaper assistance grant, \$4,404,400.00 must be allocated as grants to diaper assistance programs, maternity homes, and other nonprofit agencies that distribute diapers free of charge and were established as of January 1, 2020. The funds must be used only to purchase diapering supplies and for related administrative costs. Not more than 15.0% of the funds appropriated in part 1 shall be expended for administrative purposes.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the distribution of diaper assistance grant funds that includes, but is not limited to, the names and locations of grant recipients and the total amount of grant funding distributed to each recipient.

(3) Funds appropriated for diaper assistance grant shall be considered work project funds, shall not lapse at the end of the fiscal year, and shall be available for expenditures 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:

(a) The purpose of the work project is to provide funding for grants for eligible entities to distribute diapers free of charge.

(b) The work project will be accomplished through partnerships with diaper assistance programs, maternity homes, and other nonprofit agencies.

(c) The total estimated cost of the work project is \$4,404,400.00.

(d) The tentative completion date is September 30, 2028.

Sec. 465. (1) From the funds appropriated in part 1 for community services and outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2). The amount distributed under this subsection must not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud, waste, or abuse of state-administered public assistance.

(4) Michigan 2-1-1 shall submit a report annually to the department, the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, and the report recipients required in section 246 of this part, including, but not limited to, on call volume by health and human service needs and unmet needs identified through caller data and number and percentage of callers referred to public or private provider types.

Sec. 466. From the funds appropriated in part 1 for runaway and homeless youth grants, the department shall allocate \$5,342,100.00 to support the expansion of runaway and homeless youth capacity. The funding must be composed of \$1,146,900.00 in general fund/general purpose revenue and \$4,195,200.00 of TANF revenue. The funding must be allocated as follows:

(a) \$3,205,300.00 to cover the 18 counties that are presently unserved by any runaway and homeless youth program and to expand the capacity for counties that are underserved.

(b) \$1,068,400.00 across 19 providers statewide to provide infrastructure support for expanded staff, supervision, and training to continue to meet the complex mental health needs of the population being served.

(c) \$1,068,400.00 across 19 providers statewide to support upgrading technology and facilities to maintain safety in environments where youth are sheltered.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, if in the best interest of the child, will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report describing the steps that will be taken to achieve the specific goal established under subsection (1). The report must also include an explanation of the most significant barriers that prevent long-term foster children from permanent placements.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing. The department may provide up to 100% reimbursement to Indian tribal governments that enter into a state-tribal title IV-E agreement allowed under this state's title IV-E state plan.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to review, update, or develop actuarially sound case rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding model pilot program for public and private child welfare services providers. By July 1 of the current fiscal year, the department shall provide a report on the status of the performance-based contracting model to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services.

Sec. 504. (1) From the funds appropriated in part 1, the department shall implement a 3-year master agreement with an option for 2 additional years with the West Michigan Partnership for Children Consortium to maintain the performance-based child welfare contracting program. The consortium shall consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) As a condition for receiving the funding in part 1, the West Michigan Partnership of Children Consortium shall maintain a contract agreement with the department that supports a global capitated payment model. The capitated payment amount shall be based on historical averages of the number of children served in Kent County and for the costs per foster care case. The West Michigan Partnership for Children Consortium is required to manage the cost of the child population it serves. The administrative portion of the contracted agreement must reflect the cumulative annual percentage change in the Detroit Consumer Price Index from the previous year. The capitated payment amount shall be reviewed and adjusted no less than twice during the current fiscal year or due to any policy changes implemented by the department that result in a volume of placements that differ in a statistically significant manner from the amount allocated in the annual contract between the department and the West Michigan Partnership for Children Consortium as determined by an independent actuary as well as to account for changes in case volumes and any statewide rate increases that are implemented. The contract agreement requires that the West Michigan Partnership for Children Consortium shall maintain the following stipulations and conditions:

(a) That the service component of the capitated payment will be calculated assuming rates paid to providers under the program are generally consistent with the department's payment policies for providers throughout the rest of this state.

(b) To maintain a risk reserve of at least \$1,500,000.00 to ensure it can meet unanticipated expenses within a given fiscal year.

(c) To cooperate with the department on an independent fiscal analysis of costs incurred and revenues received.

(3) By March 1 of the current fiscal year, the consortium shall provide to the report recipients required in section 246 of this part a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the outcomes measured.

Sec. 505. By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on youth referred or committed to the department for care or supervision in the previous fiscal year that outlines the number of youth served by the department within the juvenile justice system by the type of setting for each youth.

Sec. 506. From the funds appropriated in part 1 for attorney general contract, by March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the juvenile justice system in any county in which funds appropriated in part 1 are expended. The report shall include, but not be limited to, the following:

(a) The number of youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year.

(b) The number of youth referred or committed to the care or supervision of the county in which funds appropriated in part 1 were expended for the previous fiscal year and the first quarter of the current fiscal year.

(c) The type of setting for each youth referred or committed for care or supervision, any applicable performance outcomes, and identified financial costs or savings.

Sec. 507. The department's ability to satisfy appropriation deductions in part 1 for foster care private collections is not limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) For the funds described in subsection (1), the department shall ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 509. From the funds appropriated in part 1 for adoption support services, the department shall maintain the increase of contracted rates paid to private child placing agencies, including the \$23.00 per diem for all foster youth from the date of the case acceptance to the date of adoption petition acceptance or for 150 days, whichever occurs sooner, for licensed child placing agencies contracted with the department to provide adoption services for foster youth. The per diem rate is to be separate from the outcome-based reimbursement system and must not be deducted from the total reimbursement an agency receives for the applicable placement or finalization rate of an adoption.

Sec. 510. (1) From the funds appropriated in part 1 for child care fund and foster care payments, the department shall allocate funds to cover a capacity model for a specified number of beds based on projected needs for privately operated child welfare and juvenile justice residential facilities. A contract entered into under this subsection must provide guaranteed payment for anticipated utilization with the condition that providers accept youth, up to the contracted capacity, who are determined through independent assessment as meeting the program entrance criteria. A contract under the capacity model must have been competitively bid and must include performance metrics. The contract rate must allow for full staffing and the ability to accommodate the highest acuity cases. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the status of the program that includes the participating facilities under the program, the number of children placed, and the program type of the children placed.

(2) The department shall submit reports on a monthly basis to the report recipients required in section 246 of this part on the number of children awaiting placement in a child caring institution in this state. The report must include the number of children awaiting placement by child caring institution and must state the reason for the delay in placement including, but not limited to, facility bed shortages, placement process delays, or other reasons.

Sec. 511. The department shall submit reports on a semiannual basis to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services on the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is that at least 85% of children shall have an initial medical and mental health examination within 30 days after entry into foster care.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

(a) There is no appropriate placement available in this state as determined by the department's interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department's interstate compact office.

(c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) The department shall submit an annual report by March 1 of the current fiscal year to the state court administrative office and the report recipients required in section 246 of this part on the number of Michigan children residing in out-of-state facilities in the previous fiscal year and shall include the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 514. (1) From the funds appropriated in part 1 for foster care payments, the department shall establish a statewide respite care services network available to licensed foster parents and unlicensed relative caregivers that care for children in foster care.

(2) By March 1 of the current fiscal year, the department shall provide the report recipients required in section 246 of this part a report on the total number of licensed foster parents and unlicensed relative caregivers that were provided respite services, the average amount of respite time per month, and the total amount of funding spent on respite services during the first 6 months of the current fiscal year.

Sec. 515. If a child protective services caseworker requests approval for another child protective services caseworker or other department employee to accompany them on a home visit because the caseworker believes it would be unsafe to conduct the home visit alone, the department shall not deny the request.

Sec. 516. (1) From funds appropriated in part 1 for child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures shall be distributed to the county on a monthly basis and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL 400.117a.

(2) From the funds appropriated in part 1 for child care fund – indirect cost allotment, the department shall allocate \$3,500,000.00 to counties and tribal governments that receive reimbursements in part 1 from child care fund.

(3) The amount described in subsection (2) must be distributed to each county or tribal government in the same proportion as indirect cost allotments are provided to counties in the manner described in section 117a of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 517. The department may ask a state or private child placing agency contracted by the receiving state to carry out required visits and any additional visits that the department finds necessary for a child placed in a family foster care home out of state.

Sec. 518. The department shall submit a report to the report recipients required in section 246 of this part by March 1 of the current fiscal year on the cumulative child care fund expenditures of in-home juvenile justice care that are eligible for the 75% state and 25% local split. Eligible in-home expenses include community-based juvenile supervision, services, and related practices, and per diem rates for the use of respite and shelter for less than 30 days. The report must include the expenditures by county and type of service provided and number of youth receiving this care and number of days of care.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 520. (1) The department shall submit a report to the report recipients required in section 246 of this part by February 15 of the current fiscal year on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, and independent living. The report shall also include the number of days of care for department-operated residential juvenile justice facilities by security classification.

(2) For the purposes of the report in subsection (1), living arrangements include, but are not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, and independent living.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate \$750,000.00 for scholarships through the fostering futures scholarship program in the Michigan education trust to youths who were in foster care because of child abuse or child neglect and are attending a college or a career technical educational institution located in this state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths described in this section.

(2) By June 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part that includes the number of youths who applied for scholarships under this section, the number of youths who received scholarships under this section and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the families first, family reunification, and families together building solutions family preservation programs. The report must provide population and outcome data based on families served and include information for each program on any innovations that may increase child safety and risk reduction.

(2) By October 1 of the current fiscal year, from the funds appropriated in part 1 for family preservation services, the department shall retain the rates established by the increase provided in section 523(3) of article 6 of 2020 PA 166.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for court-appointed special advocates, the department shall allocate \$2,500,000.00, of which \$1,500,000.00 is allocated on a 1-time basis, to fund a project with a nonprofit, community-based organization organized under the laws of this state that are exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a charter township with a population of between 18,000 and 19,000 according to the most recent federal decennial census that is located in a county with a population of between 600,000 and 700,000 according to the most recent federal decennial census. The nonprofit organization recipient shall have an existing network of affiliate programs operating in at least 25 counties in this state. The nonprofit organization shall use the funds to recruit, screen, train, and supervise volunteers who provide advocacy services on behalf of abused and neglected children.

Sec. 528. From the funds appropriated in part 1 for child care fund, the department shall allocate \$2,366,700.00 to increase the annual basic grant to counties with a population of less than 75,000 according to the most recent federal decennial census as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to eligible tribal entities. The basic grant shall be increased from \$15,000.00 per year by equally distributing the \$2,366,700.00 appropriated in part 1 to eligible counties and tribal entities.

Sec. 529. From the funds appropriated in part 1 for family preservation programs, the department shall maintain the total combined funding levels of the families first, family reunification, and families together building solutions family preservation programs at an amount not less than the amount provided as of September 30, 2021. For the current fiscal year as the department moves toward implementation of the federal family first prevention services act, Public Law 115-123, the funding available to serve families through the existing family preservation programs shall not be reduced.

Sec. 530. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 533. The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days after receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

Sec. 534. The department shall submit to the report recipients required in section 246 of this part, by March 1 of the current fiscal year, a report on the adoption subsidies expenditures from the previous fiscal year. The report must include, but is not limited to, the range of non-\$0.00 annual adoption support subsidy amounts, for both title IV-E eligible cases and state-funded cases, paid to adoptive families, the number of title IV-E and state-funded cases, the number of cases in which the adoption support subsidy request of adoptive parents for assistance was denied by the department, and the number of adoptive parents who requested a redetermination of adoption support subsidy.

Sec. 535. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate up to \$1,500,000.00 of private revenues from The New Foster Care Inc. to fund a 3-year culturally competent kinship placement, support, and licensing services pilot program in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census and a county with a population over 1,500,000 according to the most recent federal decennial census based on the work conducted by A Second Chance Inc. The goal of the pilot program is to increase the kinship licensure rate and reduce the average length of stay for children in foster care with the intent to expand the program statewide, contingent on legislative appropriations. Efforts to reach this goal shall include the following:

(a) Locate appropriate kinship family for out-of-home placement of children.

(b) Provide support to kinship care providers and facilitate connections to programs and services to assist them in meeting the needs of children.

(c) Assist kinship care providers in meeting state foster parent licensing requirements.

(d) Support parents to expedite permanency planning.

(2) Subject to part 1 appropriations and pursuant to an annual evaluation, the department through legislative appropriations shall reallocate any savings and revenue stemming from program services that result in a reduction in the length of stay in foster care for the children served by the program compared to the average and maximize federal funds associated with this pilot program.

(3) The agency selected to administer the pilot program will be selected with input from The New Foster Care, Inc. and approved by the executive director of the children's services agency.

Sec. 537. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the following information for cases of child abuse or child neglect from the previous fiscal year:

(a) The total number of relative care placements.

(b) The total number of relative care placements into unlicensed relative homes.

(c) The total number of relative care placements into licensed relative homes.

(d) The total number of unlicensed relative providers with a relative placement that were denied a foster home license for not meeting the standards established for state licensing for foster care.

(e) A list of the reasons from a sample of cases where relatives were denied foster home licensure as documented by the department.

(f) The status of title IV-E claims for foster care maintenance payments and foster care administrative payments for licensed relative caregivers with placements.

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 544. The department may require all foster care parents, caseworkers, and guardians ad litem to receive trauma-informed training that includes a human trafficking awareness component.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a \$55.20 administrative rate.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth 16 years of age through 19 years of age who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly reports on expenditures to the department to identify actual costs of providing foster care services.

(4) From the funds appropriated in part 1, the department shall maintain rates that are no less than the rates that were effective October 1, 2022 and were provided to each private provider of residential services.

Sec. 547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall submit a report on an annual basis to the report recipients required in section 246 of this part that includes quarterly data on the number of children enrolled in the guardianship assistance and foster care – children with serious emotional disturbance waiver programs.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) All service providers shall submit a request for payment within 12 months after the date of service. Any request for payment submitted 12 months or more after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) The county is not subject to any offset, chargeback, or reimbursement liability for prior expenditures resulting from an error in foster care fund source determinations.

Sec. 551. The department shall respond to counties within 30 days regarding any request for a clarification requested through the department's child care fund management unit email address.

Sec. 552. Sixty days after a county's child care fund review is completed, including the receipt of all requested documentation from the county, the department shall provide the results of the review to the county. The department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth of the county's child care fund programs in the review. Pursuant to state law, the department shall not release the results of the review to a third-party without the permission of the county being reviewed.

Sec. 554. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that currently has locations in 3 cities and operates on a 100% volunteer basis with a board of directors consisting of up to 15 members, and are a dedicated community of individuals that give their time, talent, and resources to provide the best quality shopping environment they can to local children in need and provide clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products, and safety equipment to local foster children and their families free of charge.

Sec. 557. If a vehicle that is owned by the state is available and not scheduled for use by other state workers, the department may consider it an allowable use of the vehicle for a child protective services caseworker or a foster care caseworker to drive it to foster home visits or to drive it to their own home if it would be helpful to the worker in conducting their work.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, the department shall allocate \$250,000.00 to the Adoptive Family Support Network by December 1 of the current fiscal year to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The Adoptive Family Support Network shall submit to the report recipients required in section 246 of this part by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 560. From funds appropriated in part 1 for foster care payments, the department shall allocate \$100,000.00 to reimburse children in foster care for the costs of extracurricular activities including, but not limited to, athletics, music, band, drama, and other enrichment activities.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days after receiving a request for eligible reimbursements from a foster parent.

Sec. 564. (1) The department shall maintain a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

(2) Per the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of the caseworkers' control.

(3) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

Sec. 568. (1) The department shall ensure youths transitioning out of foster care are given assistance with obtaining a driver license or state identification card and are issued a copy of their Social Security number as required by department policy. Assistance must be provided to youths who are eligible to obtain a driver license or state identification card and a Social Security card based on the youth's citizenship and legal residency status.

(2) The department shall submit a report by April 1 of the current fiscal year to the report recipients required in section 246 of this part on the number of youths who received assistance obtaining a driver license or state identification card, the number of youths who received assistance obtaining a Social Security card, the number of youths eligible for assistance who did not receive it, and an explanation as to why those youths did not receive assistance in obtaining the documents.

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, \$1,375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with

home improvement items needed to ensure compliance with licensing rule requirements, including payment for physical exams needed by foster families, and to alleviate potential safety concerns for unlicensed relatives caring for a family member through the child welfare system to accommodate children in foster care.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams as referenced in subsection (1) and the number of grants issued.

Sec. 575. From the funds appropriated in part 1 for children's services administration, the department shall allocate \$200,000.00 to provide support and coordinated services to the kinship caregiver advisory council. The responsibilities of the council may include all of the following:

(a) Establish a public awareness campaign to educate the public about kinship caregivers and the state's efforts to better serve kinship caregivers.

(b) Consult and coordinate with the kinship caregiver navigator program to collect aggregate data on individuals being served by the kinship caregiver navigator program, including information on what services these individuals need.

(c) Consult and collaborate with the provider of the kinship caregiver navigator program on the design and administration of that program.

(d) Establish, maintain, and update a list of local support groups and programs that provide services to kinship families, and devise a plan of action for engaging with the groups and programs on the list in order to obtain a better understanding of the issues facing kinship families.

(e) Develop methods to promote and improve collaboration between state, county, and local governments and agencies and private stakeholders to obtain a broad understanding of the characteristics and prevalence of kinship caregiving, to improve service delivery, and to include these in the council's recommendations.

Sec. 578. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate up to \$1,744,100.00 in Title IV-E passthrough funds for educational pilot programs to strengthen this state's child welfare workforce. The department shall enter into contractual arrangements with state universities to provide bachelor of social work and master of social work educational training, including field placements and stipends for tuition and educational expenses. In exchange, students completing eligible educational programs shall be contractually obligated to work for Michigan child welfare agencies for a minimum of 1 year. The matching funds for the Title IV-E funds shall be provided by the participating state universities from the expenses incurred for training child welfare students who participate in the program.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the status of the pilot program under subsection (1) that includes, but is not limited to, the total number of applicants, the total number of program participants, a list of state universities that participated in the pilot program, and the total amount of matching funds that each state university contributed to the program.

Sec. 581. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 for caseworkers to provide immediate assistance with urgent needs, including, but not limited to, food, clothing, and other basic necessities, for children upon removal from their home or other dangerous environment, including children who are victims of human trafficking. The department shall track the distribution of the funds and by June 1 of the current fiscal year shall submit to the report recipients required in section 246 of this part a report on the number of funds distributed and the number of children impacted.

Sec. 583. By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services a report that includes all of the following:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year, the reasons the foster parents left the program, and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. (1) Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the report recipients required in section 246 of this part, without revision.

(2) By October 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a detailed plan that addresses the status and progress toward exiting the settlement by September 30 of the current fiscal year. The report must include an update on the department's child welfare initiative.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall submit a report on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers to the report recipients required in section 246 of this part.

Sec. 592. The department shall submit quarterly reports to the chairs of the house and senate standing oversight committees as well as the report recipients required in section 246 of this part that include data from children's protective services staff for each of the following for the most recent quarter before the report is submitted:

(a) The percent of investigations commenced within 24 hours after receiving a report.

(b) The percent of central registry reviews performed for required individuals.

(c) The percent of face-to-face contacts made within the established timeframe required by the department.

(d) In appropriate cases, the percent of sibling placement evaluations completed when 1 or more children remain in the home after a child has been removed.

(e) The percent of supervisory reviews performed in a timely manner.

(f) The results of a department survey of child protective services investigators on the number of investigators who are concerned for their own personal safety.

(g) The percent of investigators using the mobile application or other tool to document compliance.

Sec. 593. The department shall conduct an annual review in each county to determine if the county has adopted and implemented standard child abuse and child neglect investigation and interview protocols as required in section 8(6) of the child protection law, 1975 PA 238, MCL 722.628.

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

Sec. 598. Partial child care fund reimbursements to counties for undisputed charges must be made within 45 business days after the receipt of the required forms and documentation. The department shall commence activity to investigate and resolve a disputed reimbursement charge from a county within 15 business days after receiving the request for reimbursement. The activity to investigate and resolve a disputed reimbursement request may include, but is not limited to, the use of a formal appeals process, pursuant to statute and department chargeback policy. The department shall reimburse for corrected charges within 45 business days after a properly corrected submission by the county.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of the client's name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 603. For any change in the income of a recipient of the food assistance program, the family independence program, or state disability assistance that results in a benefit decrease, the department must notify the affected recipient of the decrease in benefits amount no later than 15 work days before the first day of the month in which the change takes effect.

Sec. 604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors who meet 1 or more of the following requirements:

(a) Is a recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) Is an individual with a physical or mental impairment that meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance use disorder alone is not defined as a basis for eligibility.

(c) Is a resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

- (d) Is an individual receiving 30-day postresidential substance use disorder treatment.
- (e) Is an individual diagnosed as having AIDS.
- (f) Is an individual receiving special education services through a local intermediate school district.
- (g) Is a caretaker of a disabled individual who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they do both of the following:

- (a) Meet the same asset test as is applied for the family independence program.
- (b) Have a monthly budgetable income that is less than the payment standards.
- (3) Except for an individual described in subsection (1)(c) or (d), an individual is not disabled for purposes of this section if the individual's drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the individual stopped using drugs or alcohol, the individual's remaining physical or mental limitations would not be disabling. If the individual's remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the individual may receive state disability assistance. Such an individual must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the Social Security Administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income are not prohibited from accepting third-party payments in addition to supplemental security income if the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state or nonlegal residents.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed the minimum state supplementation level as required under federal law or regulations.

Sec. 613. (1) The department shall provide reimbursements for the final disposition of indigent persons. The reimbursements shall include all of the following:

- (a) The maximum allowable reimbursement for the final disposition is \$840.00.
- (b) The adult burial with services allowance is \$765.00.
- (c) The adult burial without services allowance is \$530.00.
- (d) The infant burial allowance is \$210.00.

(2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

(3) The department shall submit a report to the report recipients required in section 246 of this part by January 31 of the current fiscal year on burial services payments issued from the state emergency relief program during the previous fiscal year. The report must include the number of payments by the following burial services categories:

- (a) Fetus or infant less than 1 month of age.
- (b) Burial with memorial service.
- (c) Burial without memorial service.
- (d) Cremation with memorial service.
- (e) Cremation without memorial service.
- (f) Transportation of a donated or unclaimed body being cremated.
- (g) Cremation permit fee for an unclaimed body.
- (h) Disposition of an unclaimed body.
- (i) Payment where an irrevocable funeral agreement exists.
- (j) An unclaimed body received by a university.

Sec. 614. The department shall submit a report to the report recipients required in section 246 of this part by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to an individual who is not a United States citizen, permanent resident alien, or refugee. This section does not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than \$2.50 in fees for cash back as a condition of participation.

Sec. 619. The department shall not deny title IV-A assistance and food assistance benefits under 21 USC 862a to any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, for which the act that resulted in the conviction occurred after August 22, 1996, if the individual is not in violation of the individual's probation or parole requirements.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days after completion of a Medicaid application if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days after application.

(2) The department shall submit a quarterly report to the report recipients required in section 246 of this part on the number of recipients who were ineligible for Medicaid after Medicaid eligibility redeterminations resumed after federal continuous enrollment requirements ended. The report must include, in a monthly data format, the number of recipients who had their eligibility examined directly, through an ex parte eligibility process or through a passive eligibility process. The report must also include all baseline and monthly reports provided to CMS for unwinding data reporting and the number of recipients who did not respond to department contact through eligibility outreach or data requests.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 653. From the funds appropriated in part 1 for food assistance program benefits, an individual who is the victim of domestic violence or human trafficking and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their Michigan bridge cards at many farmers' markets in the state. The department shall also

notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient spends \$20.00 at participating farmers' markets through the program, the recipient can receive an additional \$20.00 to buy Michigan produce.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures and itemized expenditures for the previous fiscal year, to the report recipients required in section 246 of this part.

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department shall allocate \$12,045,000.00 for the procurement and distribution of the Michigan agricultural surplus system to distribute surplus produce to low-income residents of this state.

Sec. 669. From the funds appropriated in part 1 for family independence program – clothing allowance, the department shall allocate \$10,000,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall submit a report to the report recipients required in section 246 of this part by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards and food assistance program trafficking. The department shall provide information on the number of recipients of services who used their Michigan bridge card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall also include the number of Michigan bridge card trafficking instances and overall welfare fraud referrals that includes such information as the number of investigations completed, fraud and intentional program violation dollar amounts identified, the number of referrals to prosecutors, the number of administrative hearing referrals and waivers, and the number of program disqualifications imposed. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) If a fourth Michigan bridge card has been issued in a 12-month period, the department shall notify the household that they have reached the number of issued cards threshold. At their fifth and each subsequent card replacement request, a card will not be issued until the recipient has spoken directly to the local office district manager or county director. The district manager or county director may issue a new Michigan bridge card under their authority based on their assessment of the recipient's situation and explanation.

(3) As used in this section:

(a) "Food assistance trafficking" means the buying and selling of food assistance benefits for cash or items not authorized under 7 USC 2036b.

(b) "Inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) The department shall submit an annual report, providing quarterly data, to the report recipients required in section 246 of this part on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit an annual report to the report recipients required in section 246 of this part, providing quarterly data, that include all of the following:

(a) The number and percentage of nonexempt family independence program recipients who are employed.

(b) The average and range of wages of employed family independence program recipients.

(c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 678. From the funds appropriated in part 1 for family independence program – small child supplemental payment, the department shall allocate \$6,240,100.00 to provide a supplement for every child under 6 years of age to families receiving cash assistance for the current fiscal year. The total annual per-child supplement must not be less than \$400.00 per case, per child under the age of 6.

Sec. 686. (1) The department shall confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than \$200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall make a reasonable attempt to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits.

Sec. 687. (1) The department shall, in quarterly reports, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, indigent burial, Medicaid, and state emergency relief:

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

(d) The number of applications pending and neither approved nor denied.

(e) The number of cases opened.

(f) The number of cases closed.

(g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, in quarterly reports, compile and make available on its website the following family independence program information:

(a) The number of new applicants who successfully met the requirements of the 10-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 10-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children 0-5 years of age living in family independence program-sanctioned households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional \$20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to enable each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(12) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan for the following fiscal year to the department by August 15 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) Counties must submit amendments to current fiscal year county service plans to the department no later than August 30. Counties must submit current fiscal year payable estimates to the department no later than September 15.

(3) The department shall submit a report to the report recipients required in section 246 of this part by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by August 15 of the previous fiscal year and the number of service spending plans not approved by October 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

Sec. 709. The department's master contract for juvenile justice residential foster care services shall prohibit contractors from denying a referral for placement of a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or a psychiatrist, or both, and access to the licensed psychologist or a psychiatrist as needed.

Sec. 715. (1) As a condition of receiving funds appropriated in part 1 for raise the age fund, by deadlines established and advised by the department, counties or tribal entities shall have an approved raise the age fund budget plan for the current fiscal year. By March 1 of the current fiscal year, counties must submit the raise the age fund budget plan for the current fiscal year to the department. The raise the age fund budget plan shall specifically identify the types of costs to be reimbursed, estimated costs for each item, and the total estimated cost to be reimbursed. The types of costs to be reimbursed must comply with the requirements of section 117i of the social welfare act, 1939 PA 280, MCL 400.117i, and must not include newly funded capital improvement costs over \$100,000.00. \$500,000.00 of the raise the age fund shall be reserved for tribal entities. If total raise the age fund requests from tribal entities are less than \$500,000.00, the funding may be allocated to meet requests from counties. From the funds appropriated in part 1 for raise the age fund, each county and tribal entity eligible for reimbursement shall receive a minimum \$10,000.00 allocation from the raise the age fund.

(2) County and tribal entity reimbursement from the raise the age fund is limited to eligible youth and items specifically identified in approved raise the age fund budget plans and shall not exceed the total estimated cost included in the approved raise the age fund budget plan.

(3) Counties and tribal entities must submit amendments to current fiscal year raise the age fund budget plans by deadlines established and advised by the department. Counties must submit current fiscal year payable estimates for raise the age funds to the department by deadlines established and advised by the department.

(4) As used in this section, "eligible youth" includes both of the following:

(a) Pre-adjudication eligible youth: A youth for whom a petition has been filed alleging the commission of a status or criminal offense on or after his or her reaching 17 years of age, but before reaching 18 years of age.

(b) Post-adjudication eligible youth: A youth who has been adjudicated for a status or criminal offense for which a petition was filed alleging the commission of a status or criminal offense on or after his or her reaching 17 years of age, but before reaching 18 years of age.

LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) The department shall submit a monthly report to the report recipients required in section 246 of this part on the most recent food assistance program error rate derived from the active cases, reported to the United States Department of Agriculture – Food and Nutrition Services for the supplemental nutrition assistance program.

(2) The department shall submit a report by April 1 to the report recipients required in section 246 of this part on the corrective action plan undertaken to lower food assistance program error rates. The report must include the error rates for each local office, by month, in the prior fiscal year, information on the percentage of errors attributable to the department and applicants, a narrative description of each type of error occurring for the department and applicants, and a complete description of how error rates have decreased from the 8 actions described in the April 1, 2023 report provided under section 801(2) of article 6 of 2022 PA 166.

Sec. 802. From the funds appropriated in part 1 for local office staff travel, the department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket costs of county board members and county department directors to attend statewide meetings of the Michigan County Social Services Association.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the \$350,000.00 allocated under this section, the department shall use \$175,000.00, which are general fund/general purpose funds, as state

matching funds for not less than \$175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 808. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the nutrition education program. The report must include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding by location of programs, planned and actual grant amounts for the supplemental nutrition assistance program education funding by location of programs, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding, and, for each subgrantee program, a list of all supplemental nutrition assistance program education funding programs by implementing agency with the amount of funding allocated.

Sec. 809. From the funds appropriated in part 1 for pathways to potential program, the department shall submit a report by June 1 of the current fiscal year to the report recipients required in section 246 of this part listing all participant schools, the number of program staff assigned to each school by participant school, and the number of students that interacted with pathways to potential staff.

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than \$2,000.00 for vehicle repairs, including any repairs done in the previous 12 months. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 826. (1) From the funds appropriated in part 1 for local office policy and administration, not less than \$300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall submit a report to the department on the efficacy of the contract. The department shall submit the report to the report recipients required in section 246 of this part within 30 days after receiving the report from the Prosecuting Attorneys Association of Michigan.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. (1) From the funds appropriated in part 1 for adult services local office staff, the department shall seek to reduce the number of older adults who are victims of crime and fraud by increasing the standard of promptness in every county, as measured by commencing an investigation within 24 hours after a report is made to the department, establishing face-to-face contact with the client within 72 hours after a report is made to the department, and completing the investigation within 30 days after a report is made to the department.

(2) The department shall submit a report no later than March 1 of the current fiscal year to the report recipients required in section 246 of this part on the services provided to older adults who were victims of

crime or fraud in the previous fiscal year. The report must include, but is not limited to, all of the following by county: the percentage of investigations commenced within 24 hours after a report is made to the department, the number of face-to-face contacts established with the client within 72 hours after a report is made to the department, the number of investigations completed within 30 days after a report is made to the department, and the total number of older adults that were victims of crime or fraud in the previous fiscal year and were provided services by the department as a result of being victims of crime or fraud.

DISABILITY DETERMINATION SERVICES

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 901. The funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) From the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately submit a report to the report recipients required in section 246 of this part if either of the following occurs:

(a) The department enters into any new contracts with CMHSPs or PIHPs that would affect rates or expenditures.

(b) The department amends any contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(3) The report required by subsection (2) must include information about the changes to the contracts and their effects on rates and expenditures.

Sec. 904. (1) By May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the report recipients required in section 246 of this part that includes the information required by this section.

(2) The report required under subsection (1) shall contain, unless otherwise noted, information for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, and a statewide summary, each of which shall include at least the following information:

(a) A statewide summary of the demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group.

(c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis groups of adults with a mental illness, children with a serious emotional disturbance, and individuals with an intellectual or developmental disability. The statewide summary must, minimally, include expenditures by service category for each of the 3 diagnosis groups described in this subdivision and cases, units, and cost of each specific service code index or health care common procedure coding system (HCPCS) code for each of the 3 diagnosis groups.

(d) Financial information on non-Medicaid mental health services by general fund cost reporting category.

(e) Information about access to CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment that includes, but is not limited to, the following:

(i) The number of individuals receiving requested services.

(ii) The number of individuals who requested services but did not receive services.

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the previous fiscal year for CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(i) Administrative expenditures of each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment that include a breakout of the salary, benefits, and pension of each

executive-level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The report in subsection (1) shall contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) The expenditures stratified by department-designated community mental health entity, by fund source, by subcontractor, by population served, and by service type.

(b) The expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) The number of services provided by subcontractor and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) The collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(4) The department shall include data reporting requirements listed in subsections (2) and (3) in the annual contract with each individual CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 907. (1) The amount appropriated in part 1 for community substance use disorder prevention, education, and treatment shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 909. From the funds appropriated in part 1 for health homes, the department shall use available revenue from the marijuana regulatory fund established in section 604 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health, expand access to substance use disorder prevention and treatment services, and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 913. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$2,025,000.00, with \$1,000,000.00 allocated on a 1-time basis, for the autism navigator program. The department shall require any contractor receiving funds under this section to comply with performance-related metrics to maintain eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

(a) Each contractor shall have accreditations that attest to their competency and effectiveness in providing services.

(b) Each contractor shall demonstrate cost-effectiveness.

(c) Each contractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(d) Each contractor shall provide quarterly reports to the department regarding the number of clients served by PIHP region, units of service provision by PIHP region, and ability to meet their stated goals.

(2) The department shall require an annual report from any contractor receiving funding from this section. The annual report, due to the department 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall submit the annual reports to the report recipients required in section 246 of this part.

Sec. 914. By June 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on outcomes of the funds provided in part 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must include, but is not limited to, the number of same-day telephone consultations with primary care providers and the number of local resource recommendations made to primary care providers who are providing medical care to patients who need behavioral health services.

Sec. 915. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and opioid response activities, the department shall, to the extent possible, provide grants, pursuant to federal laws, rules, and regulations, to local public entities that provide substance use disorder services and to 1 private entity that has a statewide contract to provide community-based substance use disorder services.

Sec. 917. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$23,200,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

(2) On a semiannual basis, the department shall submit a report to the report recipients required in section 246 of this part on all of the following:

(a) Total revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund since the creation of the fund.

(b) Revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund during the previous 6 months.

(c) Estimated revenues to be deposited into and the spending plan for the Michigan opioid healing and recovery fund for the next 12 months.

Sec. 918. On a quarterly basis, providing monthly data, the department shall submit a report to the report recipients required in section 246 of this part on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 924. From the funds appropriated in part 1, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall not be less than \$53.20 per hour and not more than \$58.20 per hour.

Sec. 926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$1,000,000.00 is allocated for a specialized substance use disorder detoxification project administered by a 9-1-1 service district in conjunction with a substance use and case management provider and at a hospital within a 9-1-1 services district with at least 600,000 residents and 15 member communities within a county with a population of at least 1,500,000 according to the most recent federal decennial census.

(2) The substance use and case management provider receiving funds under this section shall collect and submit to the department data on the outcomes of the project throughout the duration of the project and the department shall submit a report on the project's outcomes to the report recipients required in section 246 of this part.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds must not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) By April 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 929. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate at least \$350,000.00 to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(2) A CMHSP that has its funding allocation transferred out during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for a reallocation described in subsection (1). By September 30 of the current fiscal year, the department shall submit a report on the amount of funding reallocated to the report recipients required in section 246 of this part.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.

Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

(2) To restrain cost increases in the autism services line item, the department shall do all of the following:

(a) By March 1 of the current fiscal year, develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels.

(b) Require consultation with the client's evaluation diagnostician and PIHP to approve the client's ongoing therapy for 3 years, unless the client's evaluation diagnostician recommended an evaluation before the 3 years or if a clinician on the treatment team recommended an evaluation for the client before the third year.

(c) Limit the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners. Qualified licensed practitioners are limited to the following:

(i) A physician with a specialty in psychiatry or neurology.

(ii) A physician with a subspecialty in developmental pediatrics, development-behavioral pediatrics, or a related discipline.

(iii) A physician with a specialty in pediatrics or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(iv) A psychologist with a specialty in clinical child psychology, behavioral and cognitive psychology, or clinical neuropsychology, or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(v) A clinical social worker with at least 1 year of experience working within the clinical social worker's scope of practice who is qualified and experienced in diagnosing autism spectrum disorders.

(vi) An advanced practice registered nurse with training, experience, or expertise in autism spectrum disorders or behavioral health.

(vii) A physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health.

(d) Require that a client whose initial diagnosis was performed by a diagnostician with master's level credentials have their diagnosis and treatment recommendations reviewed by a physician, psychiatric nurse practitioner, physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health, or fully credentialed psychologist.

(e) Allow and expand the utilization of telemedicine and telepsychiatry to increase access to diagnostic evaluation services.

(f) Coordinate with the department of insurance and financial services on oversight for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services, to ensure appropriate cost sharing between public and private payers.

(g) Require that Medicaid eligibility be confirmed through prior evaluations conducted by physicians, psychiatric nurse practitioners, physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health, or fully credentialed psychologists to the extent possible.

(h) Maintain regular statewide provider trainings on autism spectrum disorder standard clinical best practice guidelines for treatment and diagnostic services.

(3) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on total autism services spending broken down by PIHP and CMHSP for the previous fiscal year and current fiscal year and total administrative costs broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal year and current fiscal year.

Sec. 962. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 964. By October 1 of the current fiscal year, the department shall provide a report to the report recipients required in section 246 of this part on the standardized fee schedule for Medicaid behavioral health services and supports. The report must also include the adequacy standards to be used in all contracts with PIHPs and CMHSPs. In the development of the standardized fee schedule for Medicaid behavioral health services and supports during the current fiscal year, the department must prioritize and support essential service providers and must develop a standardized fee schedule for revenue code 0204.

Sec. 965. From the funds appropriated in part 1, the department and the PIHPs shall maintain the comparison rates and any associated reimbursement rates of the bundled rate H0020 for the administration and services of methadone at not less than \$19.00.

Sec. 972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate not less than \$3,000,000.00 general fund/general purpose revenue and any associated federal match or federal grant funding, including, but not limited to, associated federal 988 grant funding for the mental health telephone access line known as the Michigan crisis and access line (MiCAL), to provide primary coverage in regions where a regional national suicide prevention lifeline center does not provide coverage and for statewide secondary coverage, to establish and make available to the public MiCAL in accordance with section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

Sec. 974. The department and PIHPs shall allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to instead receive supports and services from another provider if the individual shows that the individual is eligible and qualified to receive supports and services from another provider. Other providers may include, but are not limited to, MiChoice and program of all-inclusive care for the elderly (PACE).

Sec. 978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and recovery community organizations, the department shall allocate \$3,000,000.00, with \$1,800,000.00 allocated on a 1-time basis, as grants for recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b.

Sec. 995. (1) From the funds appropriated in part 1 for mental health diversion council, the department shall allocate \$3,850,000.00 to continue to implement the jail diversion pilot programs intended to address the recommendations of the mental health diversion council.

(2) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the planned allocation of the funds appropriated for mental health diversion council.

Sec. 996. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of \$300.36 to the parents or legal guardians of children approved for the family support subsidy by a CMHSP.

Sec. 997. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal data from the United States Census Bureau.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal data from the United States Census Bureau.

BEHAVIORAL HEALTH SERVICES

Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report shall also include the percentage of the operational budget that is related to program eligibility enrollment. By February 15 of the current fiscal year, the department shall submit the report described in this section to the report recipients required in section 246 of this part.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall submit a report to the report recipients required in section 246 of this part on any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes and maintain the number of substance use disorder health homes in place by PIHP region as of September 30 of the previous fiscal year. The department may expand the number of behavioral health homes and the number of substance use disorder health homes in at least 1 additional PIHP region.

(2) On a semiannual basis, the department shall submit a report to the report recipients required in section 246 of this part on the number of individuals being served and expenditures incurred by each PIHP region by site.

Sec. 1008. PIHPs and CMHSPs shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies shall not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1010. (1) The funds appropriated in part 1 for behavioral health community supports and services must be used to reduce waiting lists at state-operated hospitals and centers through cost-effective community-based and residential services, including, but not limited to, assertive community treatment (ACT), forensic assertive community treatment (FACT), crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a.

(2) From the funds appropriated in part 1 for behavioral health community supports and services, the department shall allocate \$30,450,000.00 to reimburse private providers for intensive psychiatric treatments and services outside of state-operated hospitals and centers and support efforts related to the oversight of community-based programs placement.

(3) If the private provider has an existing wait list for intensive psychiatric treatments and services, any reimbursements to private providers under this section must not be conditional on private providers giving wait-list priority to state-paid individuals.

Sec. 1014. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). This state is not liable for any spending above the contract amount. The department shall not release funds until reporting requirements under section 1014 of article 6 of 2022 PA 166 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than \$1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. By February 1 of the current fiscal year, the department must submit the annual reports to the report recipients required in section 246 of this part.

Sec. 1015. From the funds appropriated in part 1 for federal mental health block grant, the department shall, to the extent possible, provide grants, pursuant to federal laws, rules, and regulations, to local public entities that provide mental health services and to 1 private entity that has a statewide contract to provide community-based mental health services.

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 completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the report recipients required in section 246 of this part.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. (1) The department shall identify specific outcomes and performance measures for state-operated hospitals and centers, including, but not limited to, the following:

(a) The average wait time from the time of the receipt of the court order for treatment for individuals determined incompetent to stand trial until admission to the center for forensic psychiatry.

(b) The average wait time from the time of the receipt of the court order for treatment for individuals determined incompetent to stand trial until admission to other state-operated psychiatric facilities.

(c) The most recent 12-month average number of individuals on the first day of each month waiting to receive admission into the center for forensic psychiatry.

(d) The most recent 12-month average number of individuals on the first day of each month waiting to receive admission into the other state-operated hospitals and centers.

(e) The average wait time for individuals awaiting admission into the other state-operated hospitals and centers through the civil admissions process.

(f) The number of individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of a probate court that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(g) The number of individuals denied admission into the center for forensic psychiatry.

(h) The number of individuals denied admission into the other state-operated hospitals and centers.

(2) By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the outcomes and performance measures in subsection (1).

Sec. 1060. By March 1 of the current fiscal year, the department shall submit a report on mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers to the report recipients required in section 246 of this part. The report shall include, but is not limited to, the following:

(a) The number of direct care and clinical staff positions that are currently vacant by hospital, and how that compares to the number of vacancies during the previous fiscal year.

(b) A breakdown of voluntary and mandatory overtime hours worked by position and by hospital, and how that compares to the breakdown of voluntary and mandatory overtime hours during the previous fiscal year.

(c) The ranges of wages paid by position and by hospital, and how that compares to wages paid during the previous fiscal year.

Sec. 1063. (1) From the funds appropriated in part 1 for Hawthorn Center - psychiatric hospital - children and adolescents, the department shall maintain a psychiatric transitional unit and children's transition support team. These programs shall augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for these programs include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) The measured change in the Child and Adolescent Functional Assessment Scale for children served through these programs.

HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Sec. 1140. From the funds appropriated in part 1 for primary care services, \$400,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1141. (1) From the funds appropriated in part 1 for critical health and wellness center operations, the department shall allocate \$1,500,000.00 to operate a health and wellness hub located in a county with a population between 66,600 and 66,700 according to the most recent federal decennial census that includes an FQHC located on-site. The health and wellness hub shall provide health services and child care services in a manner that increases access to affordable services.

(2) With the funding described in this section, \$750,000.00 must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

(3) With the funding described in this section, \$750,000.00 must be allocated to an FQHC that operates in 6 counties of this state and with the main office located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

Sec. 1143. From the funds appropriated in part 1 for primary care services, the department shall allocate no less than \$675,000.00 for island primary health care access and services including island clinics, in the following amounts:

(a) Beaver Island, \$250,000.00.

(b) Mackinac Island, \$250,000.00.

(c) Drummond Island, \$150,000.00.

(d) Bois Blanc Island, \$25,000.00.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1147. From the funds appropriated in part 1 for cellular therapy for Versiti Michigan, \$750,000.00 shall be allocated to Versiti Michigan. The funds shall be used to enhance the collection of fetal umbilical

cord blood and stem cells for transplant, expand cord blood laboratory capabilities, expand the diversity of collections, and build information technology infrastructure.

Sec. 1153. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$102,600.00 of state general fund/general purpose revenue for a sexual assault nurse examiners program at a hospital in a city with a population between 21,600 and 21,700 according to the most recent federal decennial census within a county with a population between 64,300 and 64,400 according to the most recent federal decennial census. Funds must be used to support staff compensation and training, victim needs, and community awareness, education, and prevention programs.

Sec. 1155. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, \$369,500.00 is allocated to contract for the administration of a uniform statewide sexual assault evidence kit tracking system. The system shall include the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

(2) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year remains in the sexual assault evidence tracking fund, does not revert to the general fund, and shall be appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

Sec. 1157. From the funds appropriated in part 1 for child advocacy centers - supplemental grants, the department shall allocate \$2,000,000.00 to continue to provide additional funding to child advocacy centers to support the general operations of child advocacy centers by allocating the funding to each center proportionally based on the number of children served at each center during the previous fiscal year compared to the number of total children served under this section. The purpose of this additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year.

Sec. 1158. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$25,897,400.00 to supplement the loss of federal victims of crime act and state crime victim rights funding. The department must distribute these funds consistent with the regular allocation formula for crime victim justice grants and crime victim rights services grants.

Sec. 1159. (1) From the funds appropriated in part 1 for community health programs, the department shall establish new infrastructure to support preventative health supports and services to regions with high health care access and outcome disparities. Eligible expenditures from this line shall include:

(a) Financial support for the creation and operation of community-based health clinics. These clinics shall provide preventative health services and be established in communities with high social vulnerability and health disparities and be operated in cooperation with trusted community partners with demonstrated experience in serving as an access point for preventative health services.

(b) Financial support for the creation and operation of healthy community zones. The department shall establish through these zones long-term strategies to address access to healthy food, affordable housing, and safety networks.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the outcome of community health programs identified in subsection (1) and in section 1924 of this part. The report must include, but is not limited to, all of the following:

(a) The list of communities served.

(b) The types of health services offered by grant recipients.

(c) A spending report from the grant recipients.

Sec. 1162. (1) From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$4,000,000.00 for a 3-year trauma recovery center pilot program project at 2 sites. The location of the pilot programs must be at an adult level I Michigan designated trauma facility. One pilot program shall be located in a city with a population of greater than 500,000 according to the most recent federal decennial census and the other pilot program must be located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. A pilot program must utilize the evidence-informed integrated trauma recovery services model for service provision and delivery; comply with applicable statutory requirements for administration, operation, service requirements, and funding; and demonstrate adherence to all guidelines for implementing and operating a trauma recovery center, as

developed by the National Alliance of Trauma Recovery Centers. The department may award the funding to an adult level I Michigan designated trauma facility that does not currently adhere to all guidelines for implementing and operating a trauma recovery center but can demonstrate the ability to comply with the guidelines on receipt of the funds described in subsection (2).

(2) The allocated funding in subsection (1) must be administered in the following manner:

(a) \$200,000.00 for technical assistance in operating and implementing trauma recovery centers that adhere to the guidelines developed by the National Alliance of Trauma Recovery Centers.

(b) \$1,677,000.00 per pilot program for the operational and service delivery costs of administering the trauma recovery center.

(c) \$150,000.00 for data and outcomes of the pilot program at both locations and to produce a report prior to the conclusion of the pilot period.

(d) \$316,000.00 for administrative costs related to the pilot program over the duration of the pilot program.

(3) The unexpended funds appropriated in part 1 for crime victim rights sustaining grants associated with trauma recovery pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that the pilot locations in the adult level I Michigan designated trauma facilities are developing a model for trauma service provision and delivery.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$4,000,000.00.

(d) The tentative completion date is September 30, 2028.

EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program shall include improving the identification of affected children, the timeliness of case follow-up, and attainment of nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, the expenditures by category of expenditure and by subcontractor, the revenues received, a description of program elements, the number of housing units abated of lead-based paint hazards, and a description of program accomplishments and progress.

Sec. 1186. (1) From the funds appropriated in part 1 for emergency medical services program, the department shall allocate \$2,000,000.00 for a statewide stroke and STEMI system of care for time-sensitive emergencies. This system must be integrated into the statewide trauma care system within the emergency medical services system and must include at least all of the following:

(a) The designation of facilities as stroke and STEMI facilities based on a verification that national certification or accreditation standards have been met.

(b) A requirement that a hospital is not required to be designated as providing certain levels of care for stroke or STEMI.

(c) The development and utilization of stroke and STEMI registries that utilize nationally recognized data platforms with confidentiality standards.

(2) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the expenditures and activities undertaken by the statewide stroke and STEMI system of care for time-sensitive emergencies in the previous fiscal year from the funds appropriated

under section 1186(1) of article 6 of 2021 PA 87. The report must include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by vendor or grantee, and a description of program accomplishments and progress.

(3) For the purposes of this section, "STEMI" means an ST-elevation myocardial infarction.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to the implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in that arrangement after October 1 of the current fiscal year, the department may assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environment, Great Lakes, and energy.

(2) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(3) By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the planned allocation of the funds appropriated for essential local public health services.

(4) The department shall continue implementation of the distribution formula for the allocation of essential local public health services funding to local health departments as specified by section 1234 of article X of 2018 PA 207.

(5) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

Sec. 1227. The department shall establish criteria for all funds allocated for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 1231. (1) From the funds appropriated for local health services, up to \$4,750,000.00 shall be allocated for grants to local public health departments to support PFAS response and emerging public health threat activities. A portion of the funding shall be allocated by the department in a collaborative fashion with local public health departments in jurisdictions experiencing PFAS contamination. The remainder of the funding shall be allocated to address infectious and vector-borne disease threats, and other environmental contamination issues such as vapor intrusion, drinking water contamination, and lead exposure. The funding shall be allocated to address issues including, but not limited to, staffing, planning and response, and creation and dissemination of materials related to PFAS contamination issues and other emerging public health issues and threats.

(2) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1), including recipient entities, amount of allocation, general category of allocation, and detailed uses.

Sec. 1232. The department may work to ensure that the United States Department of Defense reimburses the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 1233. General fund and state restricted fund appropriations in part 1 shall not be expended for PFAS and environmental contamination response where federal funding or private grant funding is available for the same expenditures.

Sec. 1239. The department shall participate in and give necessary assistance to the Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The department shall collaborate with MPART and other departments to carry out appropriate activities, actions, and recommendations as coordinated by MPART. Efforts shall be continuous to ensure that the department's activities are not duplicative with activities of another department or agency.

Sec. 1240. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$200,000.00, of which \$130,000.00 is allocated on a 1-time basis, is allocated to support a rare disease advisory council and responsibilities of the council, which may include all of the following:

- (a) Developing a list of rare diseases.
- (b) Posting the list of rare diseases on the department's website.
- (c) Updating the list of rare diseases.

(d) Annually investigating and reporting to the legislature on 1 rare disease on the list, and including legislative recommendations in the report.

FAMILY HEALTH SERVICES

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part 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 previous 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) As used in this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1306. (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) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's health care access program, and pathways to potential programming.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department local office operations costs.

(f) Lead poisoning surveillance, investigations, treatment, and abatement.

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

(h) Genesee County health department food inspectors to perform water testing at local food service establishments.

(i) Transportation related to health care delivery.

(j) Senior initiatives.

(k) Lead abatement contractor workforce development.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$300,000.00 for Revive Community Health Center for health support services as the center pursues certification as a federally qualified health center.

(3) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$500,000.00 for rides to wellness through the Flint mass transportation authority.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$2,750,000.00 state general fund/general purpose funds shall be allocated for a rural home visit program. Equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1312. (1) From the funds appropriated in part 1 for prenatal care and premature birth avoidance grant, the department shall allocate \$1,000,000.00 through a competitive grant process after fulfilling contract obligations between the department and a federal Healthy Start Program located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. The purpose of the grants is to improve health outcomes before, during, and after pregnancy and to reduce racial and ethnic differences in infant death rates and negative maternal outcomes. To be eligible to receive funding, organizations must be a partnership between various health agencies, and provide support to underserved populations for women's health, prenatal care, and premature birth avoidance.

(2) By March 1 of the current fiscal year, the department must submit to the legislature a spending report from the grant recipients.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

(3) By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on planned spending of appropriations within the department budget for fetal alcohol syndrome projects and services, including appropriation line item, agency or recipient entities, amount and purpose of allocation, and detailed uses. The report shall include a summary of outcomes accomplished by the funding investments and metrics used to determine outcomes, if available.

Sec. 1314. The department shall seek to enhance education and outreach efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall seek to ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

(a) Supporting access to care.

(b) Reducing and eliminating barriers to care.

(c) Supporting recommendations for best practices.

(d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.

(e) Tracking of birth outcomes to study improvements in prevalence of neonatal substance exposure, fetal alcohol syndrome, and other preventable neonatal disease.

(f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1315. From the funds appropriated in part 1 for dental programs, \$200,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

Sec. 1316. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the costs of processing and issuing mobile dentistry facility permits.

Sec. 1325. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate \$5,000,000.00 to support grants to local collaboratives to enhance their ability to coordinate and improve maternal and infant health outcomes. Local collaboratives must be a part of a perinatal quality collaborative that provides for screening and treatment for perinatal substance use disorder.

Sec. 1341. The department shall utilize income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture in determining eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

Sec. 1342. From the funds appropriated in part 1 for family, maternal, and child health administration, \$500,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

Sec. 1343. (1) From the funds appropriated in part 1 for dental programs, the department shall allocate \$1,760,000.00 of state and local funds plus any private contributions received to support the program to establish and maintain a dental oral assessment program to provide assessments to school children as provided in section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

(2) By December 31 of the current fiscal year, the department must submit a report to the report recipients required in section 246 of this part that provides a summary of any dental reports the department receives from the principals or administrators.

Sec. 1349. Subject to federal approval, from the funds appropriated in part 1 for immunization program, the department shall allocate \$740,000.00 of general fund/general purpose plus any available work project funds and federal match through an administered contract with oversight from behavioral and physical health and aging services administration and public health administration. The funds shall be used to support a statewide media campaign for improving this state's immunization rates.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

(a) Provide special formulas for eligible clients with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 26 years of age or older.

(c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

(d) Provide human growth hormone to eligible patients.

(e) Provide mental health care for mental health needs that result from, or are a symptom of, the individual's qualifying medical condition.

(f) Provide medical care and treatment to eligible patients with sickle cell disease who are 26 years of age or older.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may 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. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life.

AGING SERVICES

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 older adults.

Sec. 1404. From the funds appropriated in part 1 for community services, the department shall allocate \$658,000.00 to area agencies on aging for home and community-based services.

Sec. 1417. The department shall submit to the report recipients required in section 246 of this part a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detailed expenditures by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

HEALTH AND AGING SERVICES ADMINISTRATION

Sec. 1501. (1) By October 1 of the current fiscal year, the department shall report on the findings of section 1501(1) of article 6 of 2022 PA 166, and submit the provider reimbursement rate comparison tables to the report recipients required in section 246 of this part, unless the report was submitted before September 30, 2023. The provider reimbursement rate comparison tables shall include, but not be limited to, all of the following:

(a) Medicaid reimbursement rates, as of October 1, 2022, itemized by current procedural terminology (CPT) code, by provider type.

(b) Medicare reimbursement rates for Michigan Locality 01, as of October 1 2022, itemized by CPT code, by provider type.

(c) Comparison between Medicaid and Medicare reimbursement rates by CPT code detailing the current Medicaid reimbursement rates as a percentage of the current Medicare reimbursement rates for Michigan Locality 01, by provider type.

(2) As used in this section, "provider type" means all of the following categories of procedure codes, fee screens, or other billing reimbursement information administered by the department:

(a) Ambulance.

- (b) Chiropractors.
- (c) Dental.
- (d) Family planning.
- (e) Genetic counselors.
- (f) Hearing services and hearing aid dealers.
- (g) Home health.
- (h) Hospice.
- (i) Independent diagnostic testing facilities.
- (j) Laboratory.
- (k) Maternal infant health program.
- (l) Medical suppliers, including, orthotists, prosthetists, and durable medical equipment dealers.
- (m) Non-physician behavioral health.
- (n) Physicians, practitioners, and medical clinics.
- (o) Portable X-ray suppliers.
- (p) Private duty nurse.
- (q) Occupational, physical, and speech therapies.
- (r) Urgent care centers.
- (s) Vision.

Sec. 1505. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the actual reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts in the previous fiscal year.

Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal or state law, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

Sec. 1512. The updated Medicaid utilization and net cost report shall continue to separate nonclinical administrative costs from actual claims and encounter costs.

Sec. 1518. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

HEALTH SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$83.00 per month as an allowable expense against a recipient's income when determining Medicaid eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in the applicant's application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of the applicant's choice.

(2) All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible under subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition for Medicaid is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to Medicaid recipients with other third-party sources of payment, Medicaid reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for Medicaid-only patients. The Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. This section does not affect the level of payment from a third-party source other than the Medicaid program. The department shall require a nonenrolled provider to accept Medicaid payments as payment in full.

(2) Notwithstanding subsection (1), Medicaid reimbursement for hospital services provided to dual Medicare/Medicaid recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for Medicaid-only patients, including capital payments.

Sec. 1616. (1) By October 1 of the current fiscal year, the department shall seek federal authority to formally enroll and recognize community health workers as providers and to utilize Medicaid matching funds for community health worker services, including the potential of leveraging of a Medicaid state plan amendment, waiver authorities, or other means to secure financing for community health worker services. The appropriate federal approval must allow for community health worker services on a statewide basis and must not be a limited geography waiver. The authority should allow the application of community health worker services statewide and maximize their utility by providing financing that includes fee-for-service reimbursement, value-based payment, or a combination of both fee-for-service reimbursement and value-based payment for all services commensurate to their scope of training and abilities as provided by evidence-based research and programs.

(2) By September 30 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the progress of meeting the requirements in subsection (1).

Sec. 1620. (1) For fee-for-service Medicaid claims, the professional dispensing fee for drugs indicated as specialty medications on the Michigan pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee, whichever is less.

(2) For fee-for-service Medicaid claims, for drugs not indicated as specialty drugs on the Michigan pharmaceutical products list, the professional dispensing fee for medications is as follows:

(a) For medications indicated as preferred on the department's preferred drug list, \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

(b) For medications not on the department's preferred drug list, \$10.64 or the pharmacy's submitted dispensing fee, whichever is less.

(c) For medications indicated as nonpreferred on the department's preferred drug list, \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

(3) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of \$1.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

(4) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of \$4.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$8.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

Sec. 1625. The department shall not enter into any contract with a Medicaid managed care organization that relies on a pharmacy benefit manager that does not do all of the following:

(a) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology of the national average drug acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part. The pharmacy benefit manager or the involved pharmacy services administrative organization shall not receive any portion of the additional professional dispensing fee. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(b) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for brand drugs of the lesser of the wholesale acquisition cost, the average wholesale price less 16.7% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(c) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for generic drugs of the lesser of wholesale acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620, average wholesale price less 30.0% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(d) Reimburses for a legally valid claim at a rate not less than the rate in effect at the time the original claim adjudication as submitted at the point of sale.

(e) Agrees to move to a transparent "pass-through" pricing model, in which the pharmacy benefit manager discloses the administrative fee as a percentage of the professional dispensing costs to the department.

(f) Agrees to not create new pharmacy administration fees and to not increase current fees more than the rate of inflation. This subdivision does not apply to any federal rule or action that creates a new fee.

(g) Agrees to not terminate an existing contract with a pharmacy with not more than 7 retail outlets for the sole reason of the additional professional dispensing fee authorized under this section.

Sec. 1626. (1) By January 15 of the current fiscal year, each pharmacy benefit manager that receives reimbursements, either directly or through a Medicaid health plan, from the funds appropriated in part 1 for medical services must submit all of the following information to the department for the previous fiscal year:

(a) The total number of prescriptions that were dispensed.

(b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale acquisition cost for each drug on its formulary.

(c) The aggregate amount of rebates, discounts, and price concessions that the pharmacy benefit manager received for each drug on its formulary. The amount of rebates shall include any utilization discounts the pharmacy benefit manager receives from a manufacturer.

(d) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers.

(e) The aggregate amount identified in subdivisions (b) and (c) that were retained by the pharmacy benefit manager and did not pass through to the department or to the Medicaid health plan.

(f) The aggregate amount of reimbursements the pharmacy benefit manager pays to contracting pharmacies.

(g) Any other information considered necessary by the department.

(2) By March 1 of the current fiscal year, the department shall submit a report including the information provided under subsection (1) to the report recipients required in section 246 of this part.

(3) Any nonaggregated information submitted under this section shall be confidential and shall not be disclosed to any person by the department. Such information is not considered a public record of the department.

Sec. 1628. From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, the department shall continue to allocate \$3,000,000.00 in general fund/general purpose revenue and any associated federal match to maintain the Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and outpatient hospitals. The funding provided in this section must be used to maintain the minimum rate for dental services provided in ambulatory surgical centers at \$1,495.00 and maintain the minimum rate for dental services provided in outpatient hospitals at \$2,300.00.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1630. From the funds appropriated in part 1 for Medicaid dental services, by April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the dental service benefit. The report must cover all of the following areas:

(a) Information on the implementation of the Adult Medicaid dental benefit redesign including all of the following:

(i) Information on the number of dental providers, by Medicaid health plan in this state who provided 1 or more Medicaid dental services in fiscal year 2021-2022 and the number of additional providers who were added in the previous fiscal year, with a particular focus on the correlation between the average payment per visit and number of enrolled dental providers before and after the implementation of the adult dental benefit redesign.

(ii) Information on the status of enhanced care coordination.

(iii) Information on the array of covered dental benefits and services before the adult dental redesign and how the available benefits and services changed or expanded after the adult dental redesign.

(b) Information on the Healthy Kids Dental program including all of the following:

(i) The number of children enrolled in the Healthy Kids Dental program who visited the dentist in the previous fiscal year broken down by dental benefit manager.

(ii) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(iii) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(iv) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(v) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) Two dollars for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the Medicaid program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1644. (1) From the funds appropriated in part 1, the department shall increase wages by \$0.85 per hour to direct care workers and eligible non-clinical staff employed by skilled nursing facilities from the previous fiscal year. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

(2) The non-clinical staff eligible for the wage increase described in subsection (1) are those who did not receive a wage subsidy described in subsection (1) during the previous fiscal year and whose costs are reported in the following job classifications in nursing facility institutional cost reports shared with the department:

(a) Other housekeeping.

(b) Other maintenance worker.

(c) Other plant operations.

(d) Other laundry.

(e) Dining room assistants.

(f) Other dietary workers.

(g) Other medical records.

(h) Other social services.

(i) Other diversion therapy.

(j) Beauty and barber.

(k) Gift, flower, coffee, and canteen worker.

(3) From the funds appropriated in part 1, the department shall increase the direct care wage by \$0.85 per hour to direct care workers employed by licensed adult foster care facilities and licensed homes for the aged from the previous fiscal year that provide Medicaid-funded fee-for-service personal care services that were not eligible for any direct care worker pay adjustment under Medicaid-funded managed care. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase.

Sec. 1657. (1) Reimbursement for Medicaid to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining

prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall submit a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the report recipients required in section 246 of this part within 30 days after the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the behavioral and physical health and aging services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MICHild program as described in the MICHild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MICHild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be \$10.00 per month.

Sec. 1677. The MICHild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with Medicaid certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

(3) By March 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on penalty money received by the department as described in subsection (1). The report shall include, but is not limited to, the following information:

(a) The amount of penalty monies received by the department received in the previous fiscal year listed by the assessed entity.

(b) A list of the entities who were assessed penalties in the previous fiscal year with the rationale for each penalty.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for health services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the behavioral and physical health and aging services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the Medicaid program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a Medicaid state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$1,500,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that has a high indigent care volume.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 1699. (1) The department may make separate payments in the amount of \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

Sec. 1700. By December 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1802(2) of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1) of this part.

Sec. 1702. From the funds appropriated in part 1, the department shall maintain the rates in place as of September 30, 2023 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically fragile individuals can be cared for in the most homelike setting possible.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs for any fiscal year by October 1 for Medicaid capitation rate certifications and by February 15, May 15, and August 15 for any Medicaid capitation rate amendments to the report recipients required in section 246 of this part. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on progress in implementing changes to the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link. This report must include progress updates on the transition to dual eligible special needs plans, in compliance with CMS regulations.

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1786. From the funds appropriated in part 1, the department shall maintain Medicaid reimbursement for the administration of injectable vaccines at \$16.13 and administration of oral vaccines at \$12.25.

Sec. 1788. From the funds appropriated in part 1, the department shall provide Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider quality assurance assessment, for ground ambulance services at not less than 100% of the Medicare base rates for Locality 01 for those services in effect on January 1, 2023.

Sec. 1790. The department shall maintain the current practitioner rates paid for current procedural terminology (CPT) codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service and through the comprehensive Medicaid health plans for psychiatric procedures provided for Medicaid recipients under the age of 21.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 100% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate pharmacy encounter data through the first 2 quarters of the fiscal year to determine, in consultation with the Medicaid health plans, if rates must be recertified. By May 30 of the current fiscal year, the department shall report the evaluation results to the report recipients required in section 246 of this part and the Medicaid health plans.

Sec. 1801. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. Providers performing a service and whose primary practice is as a non-primary-care subspecialty are not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only. As used in this section, "primary care provider" means a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency.

Sec. 1802. (1) From the funds appropriated in part 1 for hospital services and therapy, \$7,995,200.00 in general fund/general purpose revenue shall be provided as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. Payment amounts shall be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. Payments shall be made by January 1 of the current fiscal year.

(2) From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, \$15,204,800.00 in general fund/general purpose revenue and any associated federal match shall be awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services. For the current fiscal year, a hospital that met established occupied bed criteria based on Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located within a county with a population of not more than 165,000 and within a city, village, or township with a population of not more than 16,000 according to the 2000 federal decennial census is eligible solely for the rural access pool general fund/general purpose revenue portion. The department shall ensure that the rural access payments described in this subsection are distributed in a manner that ensures both of the following:

(a) A hospital does not receive more than 10.0% of the total rural access funding referenced in this subsection.

(b) The methodology for distribution under this subsection and its applicable data that are used to determine the payment amounts are provided to each hospital by August 1 of the current fiscal year.

(3) The department shall publish the distribution of payments for the current fiscal year and the previous fiscal year.

Sec. 1804. The department may utilize the federal public assistance reporting information system to continue to work to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits and shall continue to refer veterans to the department of military and veterans affairs for assistance in securing additional benefits.

Sec. 1810. In advance of the annual rate setting development, Medicaid health plans shall be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education or through the MiDocs consortium. The report shall be submitted to the report recipients required in section 246 of this part.

Sec. 1815. From the funds appropriated in part 1 for health plan services, Healthy Michigan plan, and hospital services and therapy, the department shall allocate \$20,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates. The rates shall be increased in both of the following areas:

(a) \$8,000,000.00 in general fund/general purpose revenue and any associated federal match to increase inpatient psychiatric base rates.

(b) \$12,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates paid to level I and level II designated trauma facilities to recognize increased cost in maintaining level I or level II trauma status.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, “national accrediting entity” means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

Sec. 1830. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$5,000,000.00 to support prenatal health care providers operating in this state to expand services for existing group-based prenatal care programs that include 1 or more health care professionals leading small groups of expectant mothers – in the same phase of pregnancy – in discussions and other health services that promote the well-being and health of mothers and babies.

Sec. 1831. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$10,000,000.00 to support hospitals in this state to administer and expand a data-driven maternal safety and quality improvement initiative, based on interdisciplinary, consensus-based practices to improve maternal safety and outcomes. The initiative expansion must focus on mitigating pregnancy-associated injury and death, work to improve outcomes for underserved groups, and address problems related to substance use disorders.

Sec. 1832. In addition to the appropriations provided in part 1, the department is authorized to receive and spend federal funds or state restricted funds related to program changes made related to new requirements documented in the Centers for Medicare and Medicaid Services notice of proposed rulemaking *Medicaid Program; Medicaid and Children’s Health Insurance Program (CHIP) Managed Care Access, Finance, and Quality*, (May 3, 2023) [CMS–2439–P].

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

(c) The training of practitioners providing pediatric psychiatry services.

Sec. 1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan. On a 1-time basis, the department shall allocate \$450,000.00 in general fund/general purpose revenue and any associated federal match to enhance Medicaid health plan outreach in partnership with the National Kidney Foundation of Michigan.

Sec. 1854. The funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE) must support a current fiscal year enrollment cap that is not less than 7,553.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, \$5,000,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. Any eligible grant applicant may inform the department of the applicant's request to reduce the grant amount allocated for the applicant's residence and the funds shall be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) By September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report shall be provided in a format prescribed by the department and shall include the following:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If funds remain at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return funding to the state.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(c) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall appropriate \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by MiDocs shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency with the exception of a child and adolescent psychiatry fellowship that must be integrated with a psychiatry residency training program in a MiDocs affiliated institution.

(4) The MiDocs shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) The department shall maintain the MiDocs initiative advisory council to help support implementation of the program described in this section, and provide oversight. The advisory council shall be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(6) By September 1 of the current fiscal year, MiDocs shall submit a report to the report recipients required in section 246 of this part on the following:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(7) Outcomes and performance measures for this program include, but are not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to required rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(8) Unexpended and unencumbered funds up to a maximum \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$20,200,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1879. (1) The department shall maintain a single, standard preferred drug list to be used by all contracted Medicaid managed health care programs. Changes to the preferred drug list shall be made in consultation with all contracted managed health care programs and the Michigan pharmacy and therapeutics committee to ensure sufficient access to medically necessary drugs for each disease state. The department has final authority over the list and shall design the list to ensure access to clinically effective and appropriate drug therapies and maximize federal rebates and supplemental rebates.

(2) By July 15 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part that compares the managed care pharmacy expenditures, utilization, and rebates before implementing a single, standard preferred drug list to managed care pharmacy expenditures, utilization, and rebates after implementing a single, standard preferred drug list. The report shall include data on collected rebates, pharmacy utilization, and expenditures by quarter for at least 8 quarters before implementing a single, standard preferred drug list, and the experienced rebates, pharmacy utilization, and expenditures for at least 14 quarters, and the projected rebates, pharmacy utilization, and expenditures for quarters 15 through 20 after implementing a single, standard preferred drug list. The data shall be aggregated

by the department so as not to disclose the proprietary or confidential drug-specific information, or the proprietary or confidential information that directly or indirectly identifies financial information linked to a single manufacturer.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months before the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the health care effectiveness data and information set, HEDIS, audited data.

Sec. 1896. From the funds appropriated in part 1, the department shall establish a Medicaid recuperative care and transitional services benefit for beneficiaries experiencing homelessness. These services, which include medical and care coordination support, must be provided to eligible beneficiaries as part of a hospital discharge process.

INFORMATION TECHNOLOGY

Sec. 1901. (1) The department shall submit a report on a semiannual basis to the report recipients required in section 246 of this part on a list of projects approved in the previous 6 months and the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall submit a report to the report recipients required in section 246 of this part on the projected cost of the expansion broken down by use and type of expense.

Sec. 1903. (1) The department shall submit a report to the report recipients required in section 246 of this part by November 1 of the current fiscal year the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report shall include, but not be limited to, an update on the status of the settlement and efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall submit a quarterly status report to the report recipients required in section 246 of this part on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the MiSACWIS, including, but not limited to, all of the following:

(a) Areas where implementation went as planned, and in each area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation, and for each strategy area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(g) Progress developing cross-system trusted data exchange with the MiSACWIS.

(h) Progress in moving away from a statewide automated child welfare information system (SACWIS) to a comprehensive child welfare information system (CCWIS).

(i) Progress developing and implementing a program to monitor data quality.

(j) Progress developing and implementing custom integrated systems for private agencies.

(k) A list of all change orders, planned or in progress.

(l) The status of all change orders, planned or in progress.

(m) The estimated costs for all planned change orders.

(n) The estimated and actual costs for all change orders in progress.

(3) By July 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the department's efforts and recommendations to develop and implement a simpler and more streamlined process for the annual renewal of the licenses for family foster care homes, and the development of a simpler and more efficient version of the application form for renewal of the licenses for family foster care homes.

Sec. 1906. From the funds appropriated in part 1 for information technology services and projects, the department shall allocate \$1,750,000.00 general fund/general purpose revenue, and all associated federal matching revenue, to a public and private nonprofit collaboration that is designated as this state's statewide health information exchange by cooperative agreement, to implement health information technology strategies for health information exchange development, data management, and population health at a statewide level.

Sec. 1907. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on all current, contracted information technology-related projects. The report must include, by project, the total contractual costs, spending in previous fiscal years, planned spending for the current fiscal year, and fiscal year-to-date spending.

Sec. 1909. (1) From the funds appropriated in part 1 for child support automation, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system (MiCSES).

(2) From the funds appropriated in part 1 for bridges information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MIBridges.

(3) From the funds appropriated in part 1 for Michigan Medicaid information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system (CHAMPS).

(4) From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS.

(5) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements to the comprehensive child welfare information system.

(6) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall allocate \$15,183,800.00 to develop a new information system to replace MiSACWIS consistent with the plan provided by the department to the United States District Court for Eastern District of Michigan as a part of the settlement. The development of the comprehensive child welfare information system shall adhere to department of technology, management, and budget and IT Investment Fund (ITIF) policies and practices, including use of the state unified information technology environment methodology and agile development. The project team shall also participate in and comply with the enterprise portfolio management office process and product quality assurance. To ensure full transparency, the project shall be included in the ITIF portfolio for executive, legislative, and external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the IT investment management board.

Sec. 1910. From the funds appropriated in part 1, \$542,738,900.00 is appropriated for information technology services and projects including:

- (a) \$114,571,700.00 for bridges information system.
- (b) \$21,539,800.00 for Michigan statewide automated child welfare information system.
- (c) \$105,285,100.00 for Michigan Medicaid information system.
- (d) \$45,567,200.00 for child support automation.
- (e) \$15,183,800.00 for comprehensive child welfare information system.

ONE-TIME APPROPRIATIONS

Sec. 1913. From the funds appropriated in part 1 for ARP - behavioral health professional recruitment and retention, the department shall allocate \$2,500,000.00 to implement programs intended to improve recruitment and retention of behavioral health professionals.

Sec. 1914. (1) From the funds appropriated in part 1 for behavioral health workforce expansion – accelerated degree program, the department shall allocate \$5,000,000.00 to provide \$30,000.00 grants per individual to at least 150 individuals who have obtained a bachelor's degree in social work that agree to immediately enter an accelerated, 1-year, master's of social work program. Grant recipients must also commit to a minimum of 2 years of public sector behavioral health work in the state, immediately following completion of an accelerated, 1-year, master's of social work program, in areas including, but not limited to, community mental health, substance use disorder programs, crisis intervention, local crisis call centers, mobile crisis care, crisis stabilization, psychiatric emergency services, and rapid postcrisis care.

(2) The unexpended funds appropriated in part 1 for behavioral health workforce expansion – accelerated degree program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to accelerate the introduction of new behavioral health providers into the public sector behavioral health workforce.

(b) The work project will be accomplished by providing grants to individuals with a bachelor's degree in social work that agree to immediately enter an accelerated, 1-year, master's of social work program.

(c) The total estimated completion cost of the work project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1918. From the funds appropriated in part 1 for behavioral health patient health information tool, the department shall allocate \$2,000,000.00 to create and administer an online and interactive version of the protected health information consent tool and make any revisions to the tool to reflect any recent legislative changes. The contracting entity that receives the funds appropriated in this section shall also develop accompanying trainings and resources for users. Additionally, the contracting entity that receives the funds appropriated in this section shall work closely with the Michigan health information network and the department to develop the technical specifications for integrating the protected health information consent tool with other relevant systems and applications, including, but not limited to, CareConnect 360.

Sec. 1919. From the funds appropriated in part 1 for biomedical research and science education, the department shall allocate \$1,000,000.00 as a grant to an independent biomedical research and science education organization in a county with a population between 600,000 and 700,000 and in a city with a population over 185,000 according to the most recent federal decennial census to be used for matching federal funds, private and nonprofit grants, and private contributions.

Sec. 1921. From the funds appropriated in part 1 for children's rehabilitation hospital, the department shall allocate \$5,000,000.00 to a rehabilitation hospital originally established in 1911 that is headquartered in a city with a population of between 190,000 and 200,000 according to the most recent federal decennial census for construction of a children's rehabilitation hospital.

Sec. 1922. (1) From the funds appropriated in part 1 for complex medical condition center, the department shall allocate \$350,000.00 as a grant to a nonprofit organization that operates a facility in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census and where children up to age 26 with weak immune systems can fulfill their social, emotional, and physical needs. The facility must provide a safe and infection-controlled environment consisting of MERV 14 air filtration, building pressurization, antimicrobial surfaces, and other hospital-grade features. Programming must be specifically designed for children with complex medical conditions and their immediate family to interact socially and to feel a sense of belonging through the use of therapeutic, evidence-based, and organizational-lead activities targeted to address both behavioral and physical health outcomes.

(2) The nonprofit organization shall partner with the largest provider-owned nonprofit Medicaid health maintenance organization headquartered in the same county for which the nonprofit organization is providing services to identify and enroll 100 qualifying children up to age 26 for programmatic services. The provider-owned nonprofit Medicaid health maintenance organization shall be responsible for the collection of data and metric identification for each of the 100 enrollees, including, but not limited to, utilization trends and health outcomes associated with isolation and loneliness, mental health concerns, emergency department visits, and hospitalizations.

(3) The provider-owned nonprofit Medicaid health maintenance organization shall create and utilize a new pilot program code to track the metrics identified in subsection (2). This program code shall encompass a group of services provided by the nonprofit organization, some of which align with existing reimbursable service codes such as care management and group therapy already authorized under this state's Medicaid program, and select other services, including, but not limited to, play therapy, parent support services, and transportation services for which no program code exists currently or program codes are not currently authorized under this state's Medicaid program as reimbursable. Under the terms of this grant, the pilot program code shall include the full bundle of services, including those nonreimbursable services. The following existing codes shall be included in the new pilot program code, group therapy: 90853, and care management: 99487, 99495, 99496, 98968, 98962, 99484, G9001, G9002, and G9007. All of the following services without existing codes must be required:

- (a) Social support or social support programming.
- (b) Play therapy or recreation therapy.
- (c) Educational support services.
- (d) Parent or caregiver respite or support.

(4) By September 30 of the current fiscal year, the grant recipient shall submit a report to the department, demonstrating the effectiveness of the program in fulfilling the social, emotional, and physical needs of the patients served by the grant recipient. This report must include the data and metrics identified in subsection (2).

(5) The department shall explore Medicaid waiver options available from the Centers for Medicare and Medicaid, which, upon approval, would authorize the department to expend Medicaid funds on similar supports and services as those offered under this program and pilot program code for Medicaid recipients.

Sec. 1923. From the funds appropriated in part 1 for community-based coverage entity, the department shall allocate \$1,200,000.00 to a health care coverage program located in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census, for low-income workers in a "three-share model" where costs are shared between local businesses, local workers, and the public. The funds appropriated in this section must, at a minimum, be used to support the public share of the health coverage program.

Sec. 1924. (1) From the funds appropriated in part 1 for community health programs, the department shall allocate funds to address disparities in health care access and outcomes. Eligible expenditures from this line shall include, but not be limited to, all of the following:

(a) A grant of \$5,000,000.00 to a public health authority created through an interlocal agreement located in a city with a population greater than 500,000 according to the most recent federal decennial census to support the creation and implementation of an evidence-based program to increase access to quality food and nutrition for disadvantaged populations.

(b) Funding of no less than \$7,000,000.00 to support the creation and operation of mobile health units to provide preventative health services for persons residing in areas with disparities in health care outcome and access.

(c) Grants to support eligible applicants for funds to support the creation and operation of community-based health clinics.

(d) Planning and evaluation associated with the development and operation of healthy community zones.

(e) Information technology adjustments and other necessary changes to improve the ability of department staff to access and understand data related to disparate health access and outcomes.

(2) The unexpended funds appropriated in part 1 for community health programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to fund efforts to reduce disparities in health care access and outcomes.

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

(c) The total estimated cost of the project is \$36,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1925. (1) From the funds appropriated in part 1 for community health residency program, the department shall allocate \$2,000,000.00 to implement a residency program in a nonprofit health center in a city with a population of between 61,000 and 63,000 and within a county with a population between 1,270,000 and 1,275,000 according to the most recent federal decennial census.

(2) The unexpended portion of funds appropriated in part 1 for the residency program is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for the start-up costs and ensure the first cohort graduates within three years while awaiting federal funding.

(b) The total estimated cost of the work project is \$2,000,000.00 of general fund/general purpose revenue.

(c) The estimated completion date is September 30, 2028.

Sec. 1926. From the funds appropriated in part 1 for community information exchange, the department shall allocate \$2,000,000.00 to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system, to support programmatic and technical innovations through new continuum of service delivery models.

Sec. 1927. (1) From the funds appropriated in part 1 for community violence prevention – community grant program, the department’s office of community violence intervention shall expend \$5,000,000.00 to support community providers of violence intervention services.

(2) The unexpended funds appropriated in part 1 for community violence prevention – community grant program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grant funding for community violence intervention and gun prevention programs.

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

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1928. (1) From the funds appropriated in part 1 for community violence prevention - gun safety and training, the department’s office of community violence intervention shall expend \$1,000,000.00 to support initiatives to prevent injuries and fatalities related to misuse of firearms. Eligible expenditures from these funds include:

(a) Distribution of trigger locks and gun safety boxes to households where a child is present.

(b) Education and outreach materials and services to interested private community organizations, firearm retailers, and operators of gun ranges related to suicide prevention.

(c) Other gun violence prevention programs demonstrated to be effective in reducing firearm injury or death.

(2) The unexpended funds appropriated in part 1 for community violence prevention – gun safety and training are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support initiatives intended to reduce firearm injury and death.

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

(c) The estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1932. From the funds appropriated in part 1 for crisis stabilization capacity, the department shall allocate \$4,000,000.00 to a mental health authority serving 3 counties with a combined population between 473,000 and 475,000 according to the most recent federal decennial census to increase crisis stabilization capacity.

Sec. 1933. From the funds appropriated in part 1 for critical access hospital renovation, the department shall allocate \$7,325,000.00 to a critical access hospital located in a county with a population between 3,750 and 5,750 according to the most recent federal decennial census to implement multiple infrastructure renovations, including all of the following, to improve patient care:

(a) Remodeling and upgrading family clinics to meet current codes and practices.

(b) Expanding operating room and recovery facilities for basic orthopedic surgeries.

(c) Improving windows, parking lots, and other areas.

Sec. 1936. From the funds appropriated in part 1 for early detection and education of teenage heart ailments, the department shall allocate \$75,000.00 to a foundation supporting early detection and education of teenage heart ailments. The funding must be used to provide free heart screening clinics to teenagers and automatic external defibrillators to youth-centered facilities.

Sec. 1937. (1) From the funds appropriated in part 1 for first responder and public safety staff mental health, the department shall allocate \$5,000,000.00 toward a program to support firefighters, police officers, emergency medical services personnel, public safety tele-communicators, local correctional officers, juvenile detention employees, prosecutors, and individuals working on special teams such as internet sex crimes, sexual crimes against children, or traffic fatalities suffering from post-traumatic stress syndrome and other mental health conditions. The grant program must primarily provide grants to behavioral health providers and may also include funding to the Michigan crisis and action line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The program must coordinate and integrate with the Michigan crisis and access line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

(2) The unexpended funds appropriated in part 1 for first responder and public safety staff mental health are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that first responder and public safety staff who are dealing with post-traumatic stress syndrome and other mental health conditions have access to enhanced mental health services.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1943. From the funds appropriated in part 1 for healthy communities grant, the department shall allocate \$3,000,000.00 to a nonprofit providing recreational therapy, healthy living, and substance use intervention services in a city with a population between 100,000 and 600,000 within a county with a population greater than 1,700,000 according to the most recent federal decennial census. The nonprofit must use the funding for all of the following:

(a) To support youth with intellectual and developmental disabilities and autism spectrum disorder to develop and master life skills.

(b) To improve nutrition education services to address healthy food access and prevent obesity.

(c) To prevent substance abuse for youth fighting drug and alcohol misuse.

(d) To expand community support for fighting drug and alcohol misuse.

Sec. 1944. (1) From the funds appropriated in part 1 for dental programs, \$2,350,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed to a qualified nonprofit provider of dental services that partners with local health departments for the purpose of expanding capacity and ensuring operational efficiencies that may include equipment and technology upgrades.

(2) In order to be considered a qualified nonprofit provider of dental services, the provider must demonstrate the following:

(a) An effective health insurance enrollment process for uninsured patients.

(b) An effective process of charging patients on a sliding scale based on the patient's ability to pay.

(c) Utilization of additional fund sources including, but not limited to, federal Medicaid matching funds.

Sec. 1950. (1) From the funds appropriated in part 1 for biomarker testing, the department shall allocate \$3,500,000.00 to a wellness center to provide pharmacogenetic testing to reduce the risk of developing an opioid use disorder. The wellness center must meet all of the following requirements:

(a) Be dedicated to enhancing the well-being of individuals by providing an array of comprehensive behavioral and physical health services in a trauma-informed environment and promoting quality of life, continuous improvement, social awareness, and healing.

(b) Have its administrative office located in a county with a population of at least 1,750,000 in a city with a population between 109,000 and 111,000 according to the most recent federal decennial census.

(c) Be accredited by CARF International.

(2) The unexpended funds appropriated in part 1 for biomarker testing are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide pharmacogenetic testing to reduce the risk of developing an opioid use disorder.

(b) The project will be accomplished by a CARF International accredited wellness center.

(c) The estimated cost of the project is \$3,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1951. From the funds appropriated in part 1 for maternal health services, the department shall allocate \$420,000.00 in general fund/general purpose revenue to support a 9.5% inflationary increase to maintain sustainability at existing nurse family partnership sites in a county with a population between 250,000 and 270,000 according to the most recent federal decennial census and to include an additional outreach worker position.

Sec. 1952. (1) From the funds appropriated in part 1 for medical debt relief pilot program, the department shall allocate \$4,500,000.00 to a national nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and established in 2014 for the purpose of purchasing bundles of medical debt on secondary markets or directly from providers to abolish the medical debt for a group or groups of patients. The department shall ensure the following conditions and criteria are met before awarding grants under this section:

(a) The grant recipient may use an award under this section only to eliminate medical debt to patients with an income below the federal poverty level with a financial need or who face insolvency.

(b) The grant recipient shall ensure that there are no adverse tax or income implications for the patient due to the elimination of the medical debt.

(c) The grant recipient shall provide evidence to the department that the grant recipient has a track record of performing the work described in this section.

(d) The grant recipient shall work with local units of government to eliminate medical debt for residents of those local units of government. The grant recipient shall give preference to local units of government that provide a dollar of matching funds for every dollar appropriated under this section.

(2) The unexpended funds appropriated in part 1 for medical debt relief pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase bundles of medical debt on secondary markets or directly from providers to abolish the medical debt for a group or groups of patients.

(b) The project will be accomplished by a national nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$4,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1954. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate \$2,500,000.00 to a program that provides behavioral health consultations to primary care providers in this state who are managing patients with behavioral health problems. The funding must be used to assist providers managing patients through the age of 26 or women contemplating pregnancy, pregnant, or postpartum.

Sec. 1955. (1) From the funds appropriated in part 1 for Michigan relief plan, the department shall allocate \$2,000,000.00 to provide a grant to a 1-to-1 youth mentoring organization, that operates across 13 agencies in this state, to support costs associated with training and placing adult volunteers that will provide mentoring to youth in need.

(2) As a provision of this grant, the department shall require the grantee to report on the number of volunteers trained, where in this state the volunteers serve, and the outcomes resulting from the grant funding.

(3) By September 30 of the current fiscal year, the department shall report the information required in subsection (2) to the report recipients required in section 246 of this part.

Sec. 1956. From the funds appropriated in part 1 for mobile mammography, the department shall allocate \$1,000,000.00 to a nonprofit, faith-based hospital in a city with a population between 198,000 and 200,000 according to the most recent federal decennial census to provide a new mobile mammography unit to support patients in underserved rural and urban areas.

Sec. 1957. (1) From the funds appropriated in part 1 for narcotics awareness program, the department shall allocate \$5,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and with headquarters in a charter township with a population between 100,000 and 105,000 according to the most recent federal decennial census within a county with a population between 700,000 and 1,000,000 according to the most recent federal decennial census. To be eligible to receive funding, the nonprofit organization must have a stated mission to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(2) The unexpended funds appropriated in part 1 for narcotics awareness program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1958. (1) From the funds appropriated in part 1 for Native American health services, the department shall allocate \$3,000,000.00 for a grant to an organization that specializes in American Indian health services and has a clientele that is comprised of a majority of Medicaid recipients to build a medical, behavioral health, and community wellness center located in a city with a population greater than 600,000 and located within a county with a population greater than 1,500,000 according to the most recent decennial census.

(2) As a provision of the grant described in subsection (1), the department shall require the grantee to provide periodic updates on the construction of the facility until it is open and operational.

(3) By September 30 of the current fiscal year, the department shall report on the updates described in subsection (2) to the report recipients required in section 246 of this part.

Sec. 1959. (1) From the funds appropriated in part 1 for environmental public health program, the department shall allocate \$500,000.00 to a community development corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population greater than 600,000 according to the most recent federal decennial census to complete home assessments and coordinate health action plans to improve safe and quality housing for low-income individuals and families. To be eligible for funding under this section, a community development corporation must have partnered with an FQHC to establish a health center and have a stated mission of supporting residents and businesses in building a healthy and thriving community.

(2) The unexpended funds appropriated in part 1 for environmental public health program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to complete home assessments and coordinate health action plans to improve safe and quality housing for low-income individuals and families.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1960. (1) From the funds appropriated in part 1 for psychiatric GME, the department shall allocate \$8,000,000.00 as a grant to a health system in this state that is comprised of a health system that is located in a city with a population between 190,000 and 200,000 and within a county with a population between 650,000 and 700,000 according to the most recent federal decennial census, and a health system located in a city with a population between 75,000 and 80,000 and within a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(2) The grant described in subsection (1) must support one or more outpatient health clinics that participate in psychiatric graduate medical education training and provide wrap-around behavioral health services to individuals discharged from inpatient services.

Sec. 1961. From the funds appropriated in part 1 for rural obstetric services, the department shall allocate \$1,500,000.00 to a nonprofit Michigan health care system organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a county with a population between 31,000 and 32,000 according to the most recent federal decennial census, for the purpose of providing obstetric services to residents in the upper thumb area of this state.

Sec. 1962. (1) From the funds appropriated in part 1 for emergency homeless shelter repair and services grant, the department shall allocate \$500,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 600,000 and 650,000 according to the most recent federal decennial census. In order to be eligible for the funding under this section, the entity must use the grant to make capital and infrastructure repairs to structures in order to convert the structures into emergency homeless shelters for women and children and shelters for individuals who are parolees from the department of corrections.

(2) The unexpended funds appropriated in part 1 for emergency homeless shelter repair and services grant are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to make capital and infrastructure repairs to structures in order to convert the structures into emergency homeless shelters for women and children and shelters for individuals who are parolees from the department of corrections.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1963. (1) From the funds appropriated in part 1 for alternative payment model transition, the department shall allocate \$6,000,000.00 in general fund/general purpose revenue and any associated federal match or federal grant funding, to support the implementation of a Medicaid alternative payment methodology for FQHCs. The alternative payment methodology must be a population-based payment system that is based on a per-patient reimbursement for each Medicaid recipient assigned to each federally qualified health center. Funds appropriated in this section shall be used both to support alternative payment methodology implementation costs incurred by the department and to provide funding to support the preparation and success of FQHCs participating in the alternative payment methodology.

(2) The unexpended funds appropriated in part 1 for alternative payment model transition are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to design and implement an FQHC Medicaid alternative payment methodology as well as provide funding to help FQHCs prepare for and be successful in their alternative payment methodology participation.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, and providing funding to FQHCs.

(c) The estimated cost of the project is \$6,000,000.00.

(d) The tentative completion date is September 30, 2028.

(3) It is the intent of the legislature that the transition described in subsection (1) is phased in over a period of several fiscal years with pre-implementation and preparation occurring this fiscal year and implementation

of the alternative payment methodology in the following fiscal year, with additional FQHCs having the opportunity to begin participation in the alternative payment methodology in subsequent fiscal years.

(4) The department shall coordinate with the Michigan Primary Care Association on the design of the alternative payment methodology, to identify FQHCs that are able to implement the necessary care delivery and system changes required for the alternative payment methodology described in subsection (1), and to develop funding approaches that support the preparation and success of FQHCs participating in the alternative payment methodology.

Sec. 1964. From the funds appropriated in part 1 for sickle cell center, the department shall allocate \$2,500,000.00 to the Sickle Cell Disease Association of America, to the Sickle Cell Center of Excellence.

Sec. 1965. (1) From the funds appropriated in part 1 for homeless shelter operations, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population greater than 20,000 in a county with a population between 154,500 and 160,000 according to the most recent federal decennial census to support and sustain homeless shelter operations. To be eligible for funding under this section, the nonprofit organization must have been established in 2015, with a stated mission to rebuild the community, restore families, and repurpose individuals.

(2) The unexpended funds appropriated in part 1 for homeless shelter operations are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support and sustain homeless shelter operations.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1966. From the funds appropriated in part 1 for substance use rehabilitation services, the department shall allocate \$3,500,000.00 to the Sacred Heart Rehabilitation Center for the purchase of a new building to continue to provide addiction treatment programming.

Sec. 1967. (1) From the funds appropriate in part 1 for substance use treatment center, the department shall appropriate \$10,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 90,000 and 105,000 and located in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The nonprofit, community-based organization must be a licensed mental health and substance use treatment provider with a stated mission to empower communities to improve their health and their economic, social, and cultural well-being.

(2) The unexpended funds appropriated in part 1 for substance use treatment center are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to purchase, renovate, and equip a disused medical office building to provide comprehensive outpatient substance use disorder treatment services.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$10,000,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1968. From the funds appropriated in part 1 for university autism center, the department shall allocate \$4,000,000.00 to Western Michigan University's Kalamazoo Autism Center for the expansion and development of services to include evidence-based biobehavioral assessment treatment services for children with severe intellectual developmental disabilities and severe problem behaviors.

Sec. 1969. From the funds appropriated in part 1 for university dental clinic, the department shall allocate \$4,000,000.00 as a grant to a university operating a dental clinic in this state that provides essential dental education and services to low-income residents, and that is located in a city with a population greater than 600,000 according to the most recent federal decennial census.

Sec. 1970. (1) The funds appropriated in part 1 for water quality projects shall be used to support public health, data sharing infrastructure, filter distribution and inspection, and faucet and full plumbing replacement activities in significantly overburdened communities as defined under parts 53 and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

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

(a) The purpose of the project is to improve public health data sharing capabilities, distribute and inspect lead-reducing filters, and replace lead-containing faucets and plumbing in significantly overburdened communities and support the department's administration of this process.

(b) The project will be accomplished by utilizing state resources, contracts, or grants.

(c) The total estimated cost of the project is \$61,439,400.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1971. From the funds appropriated in part 1 for disability and independent living program, the department shall allocate \$150,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 2,600 and 3,200 in a county with a population greater than 1,500,000 according to the most recent federal decennial census. To be eligible for funds under this section, the nonprofit organization must have a stated mission to enhance the lives of the organization's participants with disabilities and that through therapeutic, social, work-based, and community engagement, it seeks to support, enrich, inspire, and embolden the organization's participants and the participants' families so that the participants can achieve the participants' goals.

Sec. 1972. From the funds appropriated in part 1 for behavioral health services, the department shall allocate \$2,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 138,000 and 140,000 that is located in a county with a population between 881,000 and 882,000, according to the most recent federal decennial census. To be eligible for funds under this section, an organization must have current experience providing support services to immigrant children and families from Afghanistan, Iraq, Syria, Yemen, and other Middle Eastern countries, and Ukraine.

Sec. 1973. From the funds appropriated in part 1 for farm day program, the department shall allocate \$250,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a township with a population between 20,000 and 22,000 located in a county with a population between 900,000 and 1,500,000 according to the most recent federal decennial census, to provide support to individuals with autism or other disabilities, provide special education services, and operate a supported employment program. In order to be eligible for funds under this section, the nonprofit organization must have a stated mission of empowering and supporting adults with disabilities to live a life of purpose, inclusion, and dignity.

Sec. 1974. From the funds appropriated in part 1 for women's health grant backfill, the department shall appropriate \$2,000,000.00 to a 4-year state university located in a city with a population greater than 600,000 according to the most recent federal decennial census to backfill the expiration of a federal grant for storage and research of perinatal samples.

Sec. 1975. (1) From the funds appropriated in part 1 for senior citizen home renovation, the department shall appropriate \$1,183,300.00 to a city with a population greater than 600,000 according to the most recent federal decennial census to provide home repairs and renovations to ensure that homes are compliant with the Americans with disabilities act of 1990, 42 USC 12101 to 12213. In order to be eligible for home repairs and renovations under this section, an individual must be a resident of the city and must be 65 years of age or older or disabled.

(2) The unexpended funds appropriated in part 1 for senior citizen home renovation are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide home repairs and renovations to ensure that homes are ADA compliant.

(b) The project will be accomplished through a partnership with a city with a population greater than 600,000 according to the most recent federal decennial census.

(c) The estimated cost of the project is \$1,183,300.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1976. From the funds appropriated in part 1 for caregiver resource center, the department shall appropriate \$5,000,000.00 to area agencies on aging to improve services and supports to unpaid family and informal caregivers. The department shall distribute the funds as a lump sum payment to area agencies on aging using the interstate funding formula approved by the commission on services to the aging.

Sec. 1977. From the funds appropriated in part 1 for affordable housing project, the department shall allocate \$4,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a headquarters in a city with a population between 60,000 and 135,000 and is located in a county with a population between 700,000 and 1,000,000, according to the most recent federal decennial census, for capital costs resulting from construction of an affordable housing apartment complex. To be eligible for funds under this section the nonprofit organization must have been established in 2006 and be dedicated to improving the stability, health, and wellness of those served through advocacy, acculturation, community development, and cultural preservation.

Sec. 1978. From the funds appropriated in part 1 for behavioral health care services and facilities, the department shall allocate \$3,000,000.00 for a public-private partnership to open a behavioral health center with no fewer than 40 inpatient beds during phase I of operation and no fewer than 100 inpatient beds during phase II of operation. The behavioral health center must be located in a city with a population between 2,500 and 20,000 located in a county with a population between 96,000 and 103,000 according to the most recent federal decennial census.

Sec. 1979. (1) From the funds appropriated in part 1 for adult day center, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides adult and teen mental health services located in a city with a population between 135,000 and 195,000 located in a county with a population between 700,000 and 1,000,000 according to the most recent federal decennial census. To be eligible for funding under this section, the nonprofit organization must have a stated mission to provide and coordinate support services and programs that help clients stay active and healthier both physically and mentally; to be committed to the wellness of individuals, their families, and the community through prevention, intervention, treatment, and education; to assist individuals and families in the enhancement of their emotional, mental, and physical well-being; and also to provide an engaging and safe place that enhances dignity, uniqueness, and independence for adults.

(2) The unexpended funds appropriated in part 1 for adult day center are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide adult day care services.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1980. From the funds appropriated in part 1 for children's health care access program, the department shall allocate \$250,000.00 to a children's health care access program that serves children in counties with populations greater than 700,000 according to the most recent federal decennial census to provide vaccinations, lead testing, and developmental screenings to children enrolled in Medicaid.

Sec. 1981. (1) From the funds appropriated in part 1 for developmental milestones toolkit, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, educating the public about prevention efforts in an effort to reduce medical costs and improve the quality of life for those living at risk of a mental disability to increase their operations to provide developmental milestones toolkits to low-income families located in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The nonprofit organization must be located in a city with a population between 90,000 and 105,000 according to the most recent federal decennial census with a stated mission of providing evidence-informed strategies and training to parents, educators, community stakeholders, and policymakers to ameliorate common childhood conditions.

(2) The unexpended funds appropriated in part 1 for developmental milestones toolkit are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide developmental milestones toolkits to low-income families located in a county with a population greater than 1,500,000 according to the most recent federal decennial census.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1982. From the funds appropriated in part 1 for rides to wellness, the department shall allocate \$250,000.00 to the entity described in section 1306(3) of this part.

Sec. 1983. From the funds appropriated in part 1 for food market expansion, the department shall appropriate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 77,000 and 85,000 in a county with a population between 900,000 and 1,500,000 according to the most recent federal decennial census, for expansion of a food market that operates to support a food pantry. In order to be eligible for funding under this section, the nonprofit organization must have a stated mission to offer comprehensive support services for individuals and their families in and around the area that are in need or have limited access to everyday necessities due to insufficient financial resources or family instability.

Sec. 1984. From the funds appropriated in part 1 for community opportunity hub, the department shall appropriate \$1,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that was established in 2010, and that is located in a city with a population greater than 500,000 according to the most recent federal decennial census, to renovate and repurpose former school buildings into opportunity hubs, repair owner-occupied homes, and provide other community wraparound supports. To be eligible for funds under this section, the nonprofit organization must organize an annual 6-day event to beautify the area surrounding the opportunity hub.

Sec. 1985. From the funds appropriated in part 1 for public health operations, the department shall allocate \$3,166,700.00 to a public health authority located in a city with a population between 100,000 and 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census, to expand services, provide public health interventions that are culturally competent, and safeguard the health of residents.

Sec. 1986. From the funds appropriated in part 1 for federally qualified health center, the department shall appropriate \$1,500,000.00 to an FQHC with a main clinic located in a city with a population greater than 50,000 in a county with a population between 375,000 and 600,000 according to the most recent federal decennial census, and that was originally established in 1982, for the construction of a new clinic location.

Sec. 1988. From the funds appropriated in part 1 for social determinants of health hub - one-time, the department shall allocate \$1,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census that runs health equity programs. The funding must be used for start-up costs necessary to create a social determinants of health hub, to offer technical assistance to other communities across this state, and to provide multisector coordination necessary to become a social determinants of health hub.

Sec. 1989. From the funds appropriated in part 1 for hospital equipment modernization, the department shall allocate \$1,000,000.00 to a hospital verified as a level III trauma center by the American College of Surgeons located in a city with a population between 13,000 and 16,400 in a county with a population greater than 1,500,000 according to the most recent federal decennial census, for physical facility improvement and equipment modernization.

Sec. 1990. From the funds appropriated in part 1 for theranostics clinic, the department shall allocate \$20,000,000.00 to a health care provider located in a city with a population between 198,000 and 199,000 and in a county with a population between 657,000 and 660,000 according to the most recent federal decennial census specializing in achieving intelligence-based precision medicine through AI enabled molecular imaging and theranostics for the purpose of opening its second clinic in the state in the southeast Michigan area.

Sec. 1992. (1) From the funds appropriated in part 1 for critical medication reserve, the department shall allocate \$6,000,000.00 for the purchase, storage, and distribution of pharmaceutical products identified as subject to a critical shortage.

(2) The funds appropriated in subsection (1) shall only be distributed if the department confirms both of the following:

(a) A finding that a shortage in access to a critical pharmaceutical product exists.
(b) A finding that the shortage in access to this critical pharmaceutical product will negatively impact the health and safety of Michigan residents.

(3) The department may contract with a Michigan-based health system to aid in the purchase, storage, or distribution of pharmaceutical products identified in the process detailed in subsection (2).

(4) The unexpended funds appropriated in part 1 for critical medication reserve are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and

must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to allocate reserve funding for the purchase, storage, and distribution of pharmaceutical products identified as subject to a critical shortage.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$6,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1995. (1) From funds appropriated in part 1 for food assistance delivery pilot program, the department shall allocate \$5,000,000.00 to contract with 1 or more providers to cover the costs of delivering eligible purchases made through the food assistance program in Wayne County and Kent County. The funding must be utilized to pay delivery fees and other associated charges that have been deemed ineligible to be paid through the food assistance program benefits by the United States Department of Agriculture – Food and Nutrition Services. The funding may be used to pay for deliveries on a per-delivery basis or as a single delivery contract.

(2) The unexpended funds appropriated in part 1 for food assistance delivery pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to reduce lack of access to healthy and nutritious food by covering the costs necessary to provide delivery service to food assistance program benefit groups.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1997. From the funds appropriated in part 1 for substance abuse community and school outreach, the department shall allocate \$1,000,000.00 to a coalition located in a county with a population of at least 1,500,000 according to the most recent federal decennial census with an aim to lead and support communities to dispel the myths and stigmas about drug addiction through public education, sharing stories of recovery, partnering with local and state leaders, creating positive social changes, and providing recovery support services for those in need.

Sec. 1998. From the funds appropriated in part 1 for senior university, the department shall allocate \$400,000.00 to a community action alliance located in a city with a population over 500,000 according to the most recent federal decennial census to improve connectivity and computer skills to seniors.

Sec. 1999. From the funds appropriated in part 1 for cancer infusion center, the department shall allocate \$2,000,000.00 to a hospital located in a city with a population between 9,000 and 10,000 in a county with a population between 105,000 and 110,000 according to the most recent federal decennial census for construction, renovation, and refurbishing costs of a cancer infusion center.

Sec. 2000. From the funds appropriated in part 1 for child and family campus project, the department shall appropriate \$6,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 50,000 and 110,000 according to the most recent federal decennial census and located in a county with a population between 265,000 and 290,000 according to the most recent federal decennial census to construct and renovate a consolidated facility on a site formerly owned by a hospital system. To be eligible for funds under this section, the nonprofit organization must have been established in 1911 and have a stated mission to strengthen and support children, families, and individuals as they evolve and grow in a changing community.

Sec. 2001. From the funds appropriated in part 1 for health center, the department shall allocate \$2,000,000.00 to a health center located in a city with a population of more than 600,000 according to the most recent federal decennial census that offers primary care, behavioral health services, HIV care and treatment, cancer screening, and health insurance navigation with a goal to provide the LGBTQ community with safe, high-quality, and affirming health care for development and construction costs for a new center in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

Sec. 2002. From the funds appropriated in part 1 for health workforce development, the department shall allocate \$500,000.00 for a 4-year pilot program to increase the number of prepared psychiatric-mental health nurse practitioners to expand access to mental health services and provide care in underserved communities

throughout this state. The office of nursing programs may oversee the program. The pilot program must be through a college of nursing at a 4-year state university located in a county with a population greater than 1,500,000, according to the most recent federal decennial census.

Sec. 2003. (1) From the funds appropriated in part 1 for jail diversion fund, the department shall allocate \$2,500,000.00 to support the jail diversion fund created by section 207c of the mental health code, 1974 PA 258, MCL 330.1207c.

(2) The department shall distribute grants from the jail diversion fund in accordance with sections 207d to 207f of the mental health code, 1974 PA 258, MCL 330.1207d to 330.1207f.

Sec. 2004. From the funds appropriated in part 1 for maternal health services, the department shall provide grants to organizations working to improve maternal and infant health. Funds appropriated under this section must be distributed to both of the following:

(a) \$5,000,000.00 to the Michigan perinatal quality collaborative to support regional strategies to improve maternal and infant health outcomes.

(b) \$5,000,000.00 for grants to health providers to improve and expand the use of the CenteringPregnancy model to address racial disparities in preterm birth.

Sec. 2005. From the funds appropriated in part 1 for maternal-fetal medicine programming, the department shall allocate \$8,000,000.00 to an office of women's health located at a university in a county with a population greater than 1,500,000, according to the most recent federal decennial census, to oversee the programming. The funding must be used for a collaboration of universities and hospitals across this state to develop and implement a model to reduce infant and maternal mortality through best practices, patient incentives and transportation, navigators, and onsite medication distribution.

Sec. 2006. (1) From the funds appropriated in part 1 for prenatal and infant allowance pilot program, the department shall allocate \$16,500,000.00 in TANF to a 4-year state university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census, for the administration of a 5-year pilot program that is intended to improve the economic stability of households with very young children.

(2) Services through the pilot program must be made available to residents of a city with a population between 80,000 and 82,000 according to the most recent federal decennial census. Allowable uses of the funds described in subsection (1) include all of the following:

(a) Providing an unconditional cash allowance to each expectant mother who resides in the pilot program service area and meets program income-eligibility requirements.

(b) Providing monthly payments to each household with at least 1 child who is less than 1 year of age who resides in the pilot program service area and meets program income-eligibility requirements.

(3) The funds described in subsection (1) must not be made available for expenditure until the administrators of the pilot program demonstrate all of the following to the department:

(a) That the service through the pilot program is designated as an allowable use of TANF by the Administration for Children and Families within the United States Department of Health and Human Services.

(b) That the payments described in subsection (2) would not impact federal lifetime time limits for federally funded assistance, established in TANF authorizing legislation.

(c) That the payments described in subsection (2) would not impact statutory or regulatory requirements established for recipients of family independence program and Partnership. Accountability. Training. Hope. (PATH) services.

(d) That the program administrator has additional private funding commitments equivalent to the amount allocated in subsection (1).

(4) The department shall work with a 4-year state university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census to identify and collect all information necessary to ensure compliance with TANF requirements established by the Administration for Children and Families within the United States Department of Health and Human Services.

(5) The unexpended funds appropriated for prenatal and infant allowance pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. All of the following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to improve the economic stability of households with very young children.

(b) The project will be accomplished by utilizing contracts.

(c) The total estimated cost of the project is \$16,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 2007. From the funds appropriated in part 1 for safe opioid use task force, the department shall allocate \$500,000.00 to the Michigan Osteopathic Association for its task force on safe opioid use.

Sec. 2008. From the funds appropriated in part 1 for senior nutrition services, the department shall allocate \$1,000,000.00 to the area agencies on aging to support home-delivered meals programming for older adults residing in this state.

Sec. 2009. From the funds appropriated in part 1 for medically underserved area services, the department shall allocate \$700,000.00 to a medical health facility originally constructed between 1946 and 1976, with between 356,000 and 357,000 square feet, formerly operated as Holy Cross Hospital, and located in a county with a population over 1,500,000 according to the most recent federal decennial census. The funding must be used to provide substance use disorder (SUD) treatment-related services, including, but not limited to, inpatient SUD treatment, residential SUD treatment, and an outpatient opioid treatment program.

ARTICLE 7

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	388.5	
GROSS APPROPRIATION	\$	74,147,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		732,100
ADJUSTED GROSS APPROPRIATION	\$	73,415,800
Federal revenues:		
Total federal revenues		1,017,100
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		72,398,700
State general fund/general purpose	\$	0

Sec. 102. DEPARTMENTAL ADMINISTRATIVE AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	23.5	
Unclassified salaries—FTEs	6.0\$	910,000
Administrative hearings		173,700
Department services—FTEs	20.0	4,065,300
Executive director programs—FTEs	3.5	912,400
Property management		1,348,100
Worker’s compensation		1,300
GROSS APPROPRIATION	\$	7,410,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management		70,600
Special revenue funds:		
Bank fees		585,400
Captive insurance regulatory and supervision fund		56,000
Consumer finance fees		285,100
Credit union fees		967,400
Deferred presentment service transaction fees		260,300
Insurance bureau fund		2,365,300
Insurance continuing education fees		67,500
Insurance licensing and regulation fees		1,992,300
MBLSLA fund		759,600
Multiple employer welfare arrangement		1,300
State general fund/general purpose	\$	0

	For Fiscal Year Ending Sept. 30, 2024	
Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
Full-time equated classified positions	365.0	
Consumer services and protection—FTEs	91.0\$	13,329,100
Financial institutions evaluation—FTEs	140.0	25,720,300
Insurance evaluation—FTEs	134.0	25,343,400
GROSS APPROPRIATION	\$	64,392,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management		636,300
Federal revenues:		
Federal revenues		1,017,100
Special revenue funds:		
Bank fees		6,234,800
Captive insurance regulatory and supervision fund		770,900
Consumer finance fees		3,035,700
Credit union fees		9,315,900
Deferred presentment service transaction fees		2,350,200
Insurance bureau fund		22,478,900
Insurance continuing education fees		1,309,600
Insurance licensing and regulation fees		10,249,000
MBLSLA fund		6,906,100
Multiple employer welfare arrangement		88,300
State general fund/general purpose	\$	0
Sec. 104. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	2,344,300
GROSS APPROPRIATION	\$	2,344,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management		25,200
Special revenue funds:		
Bank fees		145,500
Captive insurance regulatory and supervision fund		13,500
Consumer finance fees		72,000
Credit union fees		246,000
Deferred presentment service transaction fees		49,500
Insurance bureau fund		459,000
Insurance continuing education fees		9,000
Insurance licensing and regulation fees		1,135,300
MBLSLA fund		189,300
State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$72,398,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$0.00.

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 department shall use the internet to fulfill the reporting requirements of this part. This requirement must include transmission of reports via email to the recipients identified for each reporting requirement and it must include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

(a) The funds must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department in the state classified civil service because the employee communicates with a member of the legislature or a member’s staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report must be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report must be submitted to the senate and house appropriations committees and to report recipients required in section 205. The report must include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in this part and part 1 must not be used by the department 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for federal contingency authorization. Authorized 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 \$1,000,000.00 for state restricted contingency authorization. Authorized 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. 212. 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 the department:

(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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the subcommittees, 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 prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that geographically disadvantaged business enterprises, as defined in Executive Directive 2019-08, compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 216. On a quarterly basis, the department shall report the following information to the recipients required under section 205:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 217. Appropriations in part 1, to the extent possible by the department, must not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each chamber, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, to the joint committee on administrative rules, and to the recipients required under section 205.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees and to recipients required under section 205 any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023, and the number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website.

Sec. 223. (1) No funding appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 224. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 225. Not later than September 30, the department shall submit a report to the recipients required under section 205 detailing any expenditure of funds for a television or radio production that was made to a third-party vendor in the fiscal year ending September 30, 2024. The report must include all of the following information for each expenditure:

(a) The total amount of the expenditure.

(b) The fund source for the expenditure.

(c) The name of any vendor that created the production and the amount paid to each vendor.

(d) The purpose of the production.

Sec. 226. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 301. The department shall electronically transmit the annual health insurance rate change report prepared pursuant to 45 CFR 154.301(b), to the recipients required under section 205 at the time the report is published.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year. The total amount appropriated under this section and section 303 must not exceed \$1,000,000.00.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund. The total amount appropriated under this section and section 302 must not exceed \$1,000,000.00.

Sec. 304. The department must electronically transmit the annual report prepared pursuant to section 238 of the insurance code of 1956, 1956 PA 218, MCL 500.238, and section 2108 of the banking code of 1999, 1999 PA 276, MCL 487.12108, to the recipients required under section 205 at the time of the publication of the report.

Sec. 305. The department must update examination manuals and letters of guidance to state-chartered financial institutions as necessary to reflect how the department will evaluate institutions that provide banking or other financial services to marihuana-related businesses or businesses that transport, test, grow, process, or sell marihuana, based on state statute and guidance. The department may also include guidance or information on how federal law and regulations may impact state-chartered institutions.

ARTICLE 8

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2024, from the following funds:

JUDICIARY		
APPROPRIATION SUMMARY		
Full-time equated exempted positions	598.0	
GROSS APPROPRIATION	\$	355,928,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,902,300
ADJUSTED GROSS APPROPRIATION	\$	354,025,900
Federal revenues:		
Total federal revenues		6,751,300
Special revenue funds:		
Total local revenues		0
Total private revenues		1,903,900
Total other state restricted revenues		95,152,600
State general fund/general purpose	\$	250,218,100
Sec. 102. SUPREME COURT		
Full-time equated exempted positions	291.0	
Community dispute resolution—FTEs	3.0\$	3,370,500
Drug treatment courts—FTEs	2.0	12,648,200
Foster care review board—FTEs	10.0	1,381,000
Jail reform advisory support—FTE	1.0	153,100
Judicial information systems—FTEs	84.0	17,630,200
Judicial institute—FTEs	16.0	2,695,300

		For Fiscal Year Ending Sept. 30, 2024
Justice for all initiative—FTEs	2.0	1,525,000
Mental health courts and diversion services—FTE	1.0	5,707,600
Next generation Michigan court system	\$	4,116,000
Other federal grants		275,100
State court administrative office—FTEs	80.0	14,241,900
Supreme court administration—FTEs	92.0	15,632,000
Swift and sure sanctions program		3,350,000
Veterans courts		1,061,200
GROSS APPROPRIATION	\$	83,787,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		52,300
IDG from department of state police		1,500,000
IDG from department of state police, Michigan justice training fund		100,000
Federal revenues:		
DOJ, drug court training and evaluation		300,000
DOT, National Highway Traffic Safety Administration		1,950,100
Federal funds		275,100
HHS, access and visitation grant		499,400
HHS, children's justice grant		247,300
HHS, court improvement project		959,800
HHS, safe access for victims economic security grant		420,000
HHS, state opioid response grant		350,800
HHS, title IV-D child support program		853,500
HHS, title IV-E foster care program		319,100
Special revenue funds:		
Interest on lawyers trust accounts		405,400
Private funds		501,100
State justice institute		529,000
Community dispute resolution fund		2,406,400
Court of appeals filing/motion fees		1,450,000
Drug treatment court fund		1,920,500
Justice system fund		617,200
Law exam fees		775,800
Miscellaneous revenue		249,400
State court fund		408,100
State general fund/general purpose	\$	66,696,800
Sec. 103. COURT OF APPEALS		
Full-time equated exempted positions	177.0	
Court of appeals operations—FTEs	177.0\$	26,375,400
GROSS APPROPRIATION	\$	26,375,400
Appropriated from:		
State general fund/general purpose	\$	26,375,400
Sec. 104. BRANCHWIDE APPROPRIATIONS		
Full-time equated exempted positions	6.0	
Branchwide appropriations—FTEs	6.0\$	9,803,700
GROSS APPROPRIATION	\$	9,803,700
Appropriated from:		
State general fund/general purpose	\$	9,803,700
Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
Judges positions—587.0 justices and judges		
Supreme court justices' salaries—7.0 justices	\$	1,270,500
Circuit court judges' state base salaries—221.0 judges		27,936,700

	For Fiscal Year Ending Sept. 30, 2024	
Circuit court judicial salary standardization	\$	10,105,400
Court of appeals judges' salaries—25.0 judges		4,657,800
District court judges' state base salaries—231.0 judges		29,200,900
District court judicial salary standardization		10,562,900
Probate court judges' state base salaries—103.0 judges		12,913,900
Probate court judicial salary standardization		4,669,600
Judges' retirement system defined contributions		6,526,500
OASI, Social Security		7,454,000
GROSS APPROPRIATION	\$	115,298,200
Appropriated from:		
Special revenue funds:		
Court fee fund		1,970,800
State general fund/general purpose	\$	113,327,400
Sec. 106. JUDICIAL AGENCIES		
Full-time equated exempted positions	14.0	
Judicial tenure commission—FTEs	14.0\$	2,839,800
GROSS APPROPRIATION	\$	2,839,800
Appropriated from:		
State general fund/general purpose	\$	2,839,800
Sec. 107. INDIGENT DEFENSE - CRIMINAL		
Full-time equated exempted positions	84.0	
Appellate public defender program—FTEs	66.0\$	11,028,600
Juvenile life resentencing—FTEs	18.0	2,529,600
Michigan appellate assigned counsel system roster attorney compensation grants		3,208,100
GROSS APPROPRIATION	\$	16,766,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		250,000
Federal revenues:		
Federal funds		576,200
Special revenue funds:		
Interest on lawyers trust accounts		88,400
Michigan justice fund		380,000
Miscellaneous revenue		172,400
State general fund/general purpose	\$	15,299,300
Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
Indigent civil legal assistance	\$	7,937,000
GROSS APPROPRIATION	\$	7,937,000
Appropriated from:		
Special revenue funds:		
State court fund		7,937,000
State general fund/general purpose	\$	0
Sec. 109. TRIAL COURT OPERATIONS		
Full-time equated exempted positions	26.0	
Court equity fund reimbursements	\$	60,815,700
Drug case-flow program		250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement—FTE	1.0	6,610,000
Statewide e-file system—FTEs	25.0	11,830,000
GROSS APPROPRIATION	\$	87,620,700
Appropriated from:		
Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2024
Court equity fund	\$ 50,440,000
Drug case information management fund	250,000
Drunk driving case-flow assistance fund	3,300,000
Judicial electronic filing fund	11,830,000
Judicial technology improvement fund	4,815,000
Juror compensation fund	6,610,000
State general fund/general purpose	\$ 10,375,700
Sec. 110. ONE-TIME APPROPRIATIONS	
Expungement initiative	\$ 700,000
Judicial institute	300,000
Michigan statewide court data transparency project	4,500,000
GROSS APPROPRIATION	\$ 5,500,000
Appropriated from:	
State general fund/general purpose	\$ 5,500,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$345,370,700.00 and state spending from state sources to be paid to local units of government is \$150,611,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY	
SUPREME COURT	
Drug treatment courts	\$ 9,003,200
Mental health courts and diversion services	5,707,600
Next generation Michigan court system	4,116,000
State court administrative office	200,000
Swift and sure sanctions program	3,350,000
Veterans courts	1,061,200
JUSTICES' AND JUDGES' COMPENSATION	
Circuit court judicial salary standardization	\$ 10,105,400
District court judicial salary standardization	10,562,900
OASI, Social Security	1,300,600
Probate court judges' state base salaries	12,913,900
Probate court judicial salary standardization	4,669,600
TRIAL COURT OPERATIONS	
Court equity fund reimbursements	\$ 60,815,700
Drug case-flow program	250,000
Drunk driving case-flow program	3,300,000
Judicial technology improvement fund	4,815,000
Juror compensation reimbursement	6,610,000
Statewide e-file system	11,830,000
TOTAL	\$ 150,611,100

Sec. 202. (1) 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.

(2) Funds appropriated in part 1 to an entity within the judicial branch must not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

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

- (a) "DOJ" means the United States Department of Justice.
- (b) "DOT" means the United States Department of Transportation.

(c) “FTE” means full-time equated.

(d) “HHS” means the United States Department of Health and Human Services.

(e) “IDG” means interdepartmental grant.

(f) “OASI” means old age survivor’s insurance.

(g) “Title IV-D” means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.

(h) “Title IV-E” means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part must be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) The funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the state court administrative office shall prepare a report on out-of-state travel not later than January 1. The travel report shall be a listing of all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report must be submitted to the senate and house appropriations committees and to the report recipients required in section 205 of this part. The report must include the following information:

(a) The dates of each travel occurrence.

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

Sec. 208. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report must be transmitted to the chairpersons of the senate and house appropriations committees and to the report recipients required in section 205 of this part.

Sec. 209. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting must include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 210. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees and the report recipients required in section 205 of this part with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 211. The judiciary shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the judiciary’s performance.

Sec. 212. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or the member of the legislature’s staff unless the communication is prohibited by law and the judicial branch is exercising its authority as provided by law.

Sec. 213. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 214. Funds appropriated within the judicial branch must not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 215. From the funds appropriated in part 1, the state court administrative office may identify programs, within the department of health and human services, the department of labor and economic opportunity, and the department of corrections, that have programmatic connections with the participants in the swift and sure sanctions program. The purpose of this relationship is to leverage collaborations and to determine avenues of success for offenders who are eligible for state-provided programs. The state court administrative office shall provide guidance to courts participating in the swift and sure sanctions program, under the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, regarding the available department of health and human services, department of labor and economic opportunity, and department of corrections programming.

JUDICIAL BRANCH

Sec. 301. Of the amount appropriated in part 1 for the judicial branch, \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 302. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report must be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. Any data provided under this section must be public and nonidentifying information.

Sec. 303. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and shall help to reduce suspensions and truancy, and improve school climate. Funding appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in cooperation with local prosecutors. Participation in the dispute resolution processes is voluntary for all parties.

Sec. 304. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 305. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made is appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall issue a report within 14 days of the appropriation to the senate and house standing committees on appropriations and to the report recipients required in section 205 of this part.

Sec. 306. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report must include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, the impact of the programs on offender criminal involvement and recidivism, and an accounting of prior year expenditures, including grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

Sec. 307. (1) The funds appropriated in part 1 for drug treatment courts must be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases, including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 308. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the program, not more than \$150,000.00 is available to the state court administrative office to pay for employee costs

associated with the administration of the program funds. Of the funds designated for the program, \$500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the department of corrections, shall provide a report on the swift and sure sanctions program that includes all of the following:

- (a) The number of offenders who participate in the program.
- (b) The criminal history of offenders who participate in the program.
- (c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.
- (d) A detailed description of the establishment and parameters of the program.
- (e) A list of courts participating in the program.
- (f) An accounting of prior year expenditures, including grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

Sec. 309. From the funds appropriated in part 1, the state court administrative office shall continue the prescription compliance through oral fluid testing program and submit a report on the program by April 1. The report must include, but not be limited to, information on the number of programs established, the number of program participants in each jurisdiction, program testing and results, program treatment, and program outcomes, including the rearrest rate of participants while participating in the program.

Sec. 310. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback by March 1 for the preceding fiscal year.

Sec. 311. From the funds appropriated in part 1, the state court administrative office shall submit a report on the statewide judicial case management system on March 1. The report must provide a status update on development and implementation of the statewide judicial case management system and must include all appropriation and expenditure data for the previous and current fiscal years.

Sec. 312. From the funds appropriated in part 1 for judicial information systems, the following allocations must be made:

- (a) Not more than \$6,500,000.00 to offset local user fee revenue that was previously paid by trial courts that have already transitioned to the new statewide judicial case management system.
- (b) \$5,399,100.00 to support staff and other operating costs as trial courts continue to transition to the new statewide judicial case management system.

Sec. 313. (1) If Byrne formula grant funding is awarded to the state appellate defender office in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police.

(2) If the state appellate defender office receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend grant funds in an amount not to exceed \$300,000.00.

Sec. 314. (1) From the funds appropriated in part 1 for drug treatment courts, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

(2) By March 1, the judiciary shall report on the medication-assisted treatment program. The report must include itemized spending by court, the number of participants, and statistics that indicate average program participation duration and success rates.

(3) The goal of the medication-assisted treatment program is for participants to be free of narcotic addiction prior to ending participation in the program.

Sec. 315. (1) From the funds appropriated in part 1, the state appellate defender office shall ensure this state's compliance with *Montgomery v Louisiana*, 577 US 190 (2016), *People v Parks*, ___ Mich___ (2022), *People v Stovall*, ___ Mich___ (2022), and *People v Poole*, ___ Mich___ (2022). The purpose of the program is to ensure competent, resourced, and supervised counsel in cases involving resentencing of individuals serving a life sentence for an offense committed when they were 18 years of age or younger. Representation by the state appellate defender office will create opportunities for release and successful return to the community, saving prison costs for the state.

(2) The state appellate defender office shall submit a report by December 31 on the number of cases investigated and prepared by the state appellate defender office. The report must include a calculation of the hours spent and the incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may have been avoided after the cases have reached a disposition.

Sec. 316. From the funds appropriated in part 1 for Michigan appellate assigned counsel system roster attorney compensation grants, the Michigan appellate assigned counsel system shall administer and provide grants to counties to provide reimbursement of approximately 1/2 of the compensation provided to public defenders appointed as appellate defense counsel under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719. Counties shall be eligible for grants under this section if the compensation paid to appointed appellate defense counsel is consistent with rates established under the Michigan indigent defense commission act, 2013 PA 93, MCL 780.981 to 780.1003, under payment policies established by the Michigan appellate assigned counsel system.

ONE-TIME APPROPRIATIONS

Sec. 401. Funds appropriated in part 1 for expungement initiative must be allocated as follows:

(a) \$650,000.00 must be allocated to support a nonprofit legal aid organization located in a city with a population greater than 600,000 according to the most recent federal decennial census with providing expungement services.

(b) \$50,000.00 must be allocated to support a county with a population between 115,000 and 125,000 according to the most recent federal decennial census with providing legal aid services.

Sec. 402. The unexpended funds appropriated in part 1 for judicial institute are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to develop and maintain a court administration bench book.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or both.

(c) The total estimated cost of the project is \$300,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 403. The unexpended funds appropriated in part 1 for Michigan statewide court data transparency project are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to collect and analyze court data, publish court data in a publicly accessible data portal, and develop data-driven criminal justice policies and goals.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or both.

(c) The total estimated cost of the project is \$4,500,000.00.

(d) The tentative completion date is September 30, 2028.

ARTICLE 9

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of labor and economic opportunity for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	34.5	
Full-time equated classified positions	2,614.4	
GROSS APPROPRIATION	\$	2,869,264,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	2,869,264,800
Federal revenues:		
Total federal revenues		1,183,654,200
Special revenue funds:		
Total local revenues		10,700,000
Total private revenues		12,539,200
Total other state restricted revenues		358,863,400
State general fund/general purpose	\$	1,303,508,000

For Fiscal Year
Ending Sept. 30,
2024

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	34.5	
Full-time equated classified positions	66.0	
Unclassified salaries—FTE positions	34.5\$	4,514,200
Executive direction and operations—FTEs	66.0	10,682,400
Property management	\$	6,298,500
GROSS APPROPRIATION	\$	21,495,100
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		3,333,700
DOL, federal funds		3,221,400
DOL-ETA, unemployment insurance		2,536,700
DOL, occupational safety and health		515,900
Federal funds		2,500,000
Special revenue funds:		
Asbestos abatement fund		51,700
Corporation fees		1,819,000
Michigan state housing development authority fees and charges		637,700
Private occupational school license fees		55,500
Radiological health fees		288,500
Safety education and training fund		770,300
Second injury fund		274,800
Securities fees		2,016,500
Self-insurers security fund		150,800
Silicosis and dust disease fund		113,800
Worker's compensation administrative revolving fund		89,800
State general fund/general purpose	\$	3,119,000

Sec. 103. WORKFORCE DEVELOPMENT

Full-time equated classified positions	234.0	
23+ high school diploma program	\$	3,000,000
At-risk youth grants		5,700,000
Going pro		54,750,000
Helmets to hardhats		250,000
High school equivalency-to-school program		250,000
Michigan reconnect grant program—FTEs	12.0	65,202,100
MiSTEM advisory council—FTEs	3.0	650,000
Office of future mobility and electrification		2,000,000
Tri-share child care program		3,400,000
Workforce development—FTEs	219.0	439,531,600
GROSS APPROPRIATION	\$	574,733,700
Appropriated from:		
Federal revenues:		
DAG, employment and training		4,000,400
DED-OESE, GEAR-UP		5,500,000
DED-OVAE, adult education		20,000,000
DED-OVAE, basic grants to states		19,000,000
DOL, federal funds		106,381,300
DOL-ETA, workforce investment act		173,488,600
Federal funds		21,809,800
Social security act, temporary assistance to needy families		63,698,800
Special revenue funds:		
Local revenues		300,000
Private funds		5,295,900

	For Fiscal Year Ending Sept. 30, 2024	
Contingent fund, penalty and interest	\$	22,111,600
Defaulted loan collection		178,500
State general fund/general purpose	\$	132,968,800
Sec. 104. REHABILITATION SERVICES		
Full-time equated classified positions	671.0	
Bureau of services for blind persons—FTEs	116.0\$	25,698,800
Centers for independent living		19,718,600
Michigan rehabilitation services—FTEs	555.0	139,468,700
Subregional libraries state aid		451,800
GROSS APPROPRIATION	\$	185,337,900
Appropriated from:		
Federal revenues:		
Federal funds		1,461,000
DED, vocational rehabilitation and independent living		129,641,100
Supplemental security income		8,588,600
Special revenue funds:		
Local - blind services		100,000
Local - vocational rehabilitation match		5,300,000
Private - blind services, private		111,800
Private - gifts, bequests, and donations		531,500
Michigan business enterprise program fund		350,000
Rehabilitation service fees		150,000
Second injury fund		38,300
State general fund/general purpose	\$	39,065,600
Sec. 105. EMPLOYMENT SERVICES		
Full-time equated classified positions	404.4	
Bureau of employment relations—FTEs	22.0\$	4,511,200
Compensation supplement fund		820,000
First responder presumed coverage claims		4,000,000
Insurance funds administration—FTEs	23.0	4,778,100
Michigan occupational safety and health administration—FTEs	217.0	36,633,500
Office of global Michigan—FTEs	15.0	39,874,600
Private and occupational distance learning—FTEs	3.0	858,700
Radiation safety section—FTEs	21.4	3,466,200
Wage and hour program—FTEs	33.0	4,451,800
Worker's compensation board of magistrates—FTEs	10.0	2,258,400
Worker's disability compensation agency—FTEs	56.0	8,316,100
Worker's disability compensation appeals commission—FTEs	4.0	350,000
GROSS APPROPRIATION	\$	110,318,600
Appropriated from:		
Federal revenues:		
DOL, occupational safety and health		15,361,800
HHS, mammography quality standards		513,300
HHS, refugee assistance program fund		38,369,000
Special revenue funds:		
Asbestos abatement fund		942,800
Corporation fees		11,257,200
Distance education fund		368,200
First responder presumed coverage fund		4,000,000
Private occupational school license fees		490,500
Radiological health fees		2,952,900
Safety education and training fund		11,362,600
Second injury fund		2,422,900

	For Fiscal Year Ending Sept. 30, 2024	
Securities fees	\$	10,786,600
Self-insurers security fund		1,642,200
Silicosis and dust disease fund		713,000
Worker's compensation administrative revolving fund		1,894,900
State general fund/general purpose	\$	7,240,700
Sec. 106. UNEMPLOYMENT INSURANCE AGENCY		
Full-time equated classified positions	744.0	
Unemployment insurance agency—FTEs	736.0\$	297,440,700
Unemployment insurance agency - advocacy assistance		1,500,000
Unemployment insurance appeals commission—FTEs	8.0	4,430,600
GROSS APPROPRIATION	\$	303,371,300
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance		280,624,500
Special revenue funds:		
Contingent fund, penalty and interest		22,746,800
State general fund/general purpose	\$	0
Sec. 107. COMMISSIONS		
Full-time equated classified positions	19.0	
Asian Pacific American affairs commission—FTE	1.0\$	222,400
Commission on Middle Eastern American Affairs—FTE	1.0	210,000
Hispanic/Latino commission of Michigan—FTE	1.0	294,200
Michigan community service commission—FTEs	14.0	19,579,500
Michigan women's commission—FTEs	2.0	1,533,500
GROSS APPROPRIATION	\$	21,839,600
Federal revenues:		
Federal funds		18,200,200
Special revenue funds:		
Private funds		1,250,000
State general fund/general purpose	\$	2,389,400
Sec. 108. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	29,675,800
GROSS APPROPRIATION	\$	29,675,800
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		3,134,400
DOL-ETA, unemployment insurance		22,818,100
DOL, occupational safety and health		372,300
Special revenue funds:		
Asbestos abatement fund		35,300
Corporation fees		315,400
Distance education fund		5,600
Private occupational school license fees		21,900
Radiological health fees		155,900
Safety education and training fund		403,300
Second injury fund		355,700
Securities fees		992,900
Self-insurers security fund		250,600
Silicosis and dust disease fund		70,600
State general fund/general purpose	\$	743,800
Sec. 109. STRATEGIC OUTREACH AND ATTRACTION RESERVE		
Critical industry program	\$	100
Michigan strategic site readiness program		100
GROSS APPROPRIATION	\$	200

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Special revenue funds:		
Strategic outreach and attraction reserve fund	\$	200
State general fund/general purpose	\$	0
Sec. 110. MICHIGAN STRATEGIC FUND		
Full-time equated classified positions	164.0	
Arts and cultural program	\$	11,050,000
Business attraction and community revitalization		100,000,000
Community college skilled trades equipment program		4,600,000
Entrepreneurship ecosystem		15,650,000
Facility for rare isotope beams		7,300,000
Job creation services—FTEs	164.0	27,929,400
Lighthouse preservation program		307,500
Michigan defense center program		5,000,000
Pure Michigan		25,000,000
Revitalization and placemaking program		50,000,000
State trade export program		3,000,000
GROSS APPROPRIATION	\$	249,836,900
Appropriated from:		
Federal revenues:		
Federal funds		3,000,000
NFAH-NEA, promotion of the arts, partnership agreement		1,050,000
State historic preservation, national park service grants		1,900,000
Special revenue funds:		
Local promotion fund		5,000,000
Private - Michigan council for the arts fund		150,000
Private - special project advances		200,000
Private promotion fund		5,000,000
21st century jobs trust fund		75,000,000
Contingent fund, penalty and interest		4,600,000
Michigan lighthouse preservation fund		307,500
Michigan state housing development authority fees and charges		4,778,700
Revitalization and placemaking fund		50,000,000
State brownfield redevelopment fund		3,000,000
State historic preservation office fees and charges		200,000
State general fund/general purpose	\$	95,650,700
Sec. 111. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Full-time equated classified positions	303.0	
Community development block grants	\$	47,000,000
Housing and rental assistance—FTEs	303.0	50,259,300
Michigan housing and community development program		50,000,000
MSHDA technology services and projects		3,730,200
Payments on behalf of tenants		166,860,000
Property management		3,105,700
GROSS APPROPRIATION	\$	320,955,200
Appropriated from:		
Federal revenues:		
HUD, lower income housing assistance		166,860,000
HUD-CPD, community development block grant		49,773,300
Special revenue funds:		
Michigan housing and community development fund		50,000,000
Michigan state housing development authority fees and charges		54,321,900
State general fund/general purpose	\$	0

		For Fiscal Year Ending Sept. 30, 2024
Sec. 112. STATE LAND BANK AUTHORITY		
Full-time equated classified positions	9.0	
State land bank authority	\$	6,370,500
GROSS APPROPRIATION	\$	6,370,500
Appropriated from:		
Federal revenues:		
Federal revenues		1,000,000
Special revenue funds:		
Land bank fast track fund		3,370,500
State general fund/general purpose	\$	2,000,000
Sec. 113. ONE-TIME APPROPRIATIONS		
Adult literacy	\$	2,000,000
Child savings accounts		2,500,000
College success fund and student wraparound supports		37,800,000
Community enhancement grants		122,220,000
Convention and visitors bureau relief		10,000,000
Digital workforce development		4,900,000
Economic development grants		66,240,000
Fire gear equipment grants		15,000,000
Focus: hope		1,000,000
Habitat for humanity		10,000,000
Healthcare grants		91,100,000
High speed rail grants		20,000,000
Housing grants		39,250,000
Housing readiness incentive grant program		5,000,000
Transformational housing projects		40,000,000
Michigan community development financial institution fund grants		19,000,000
Michigan enhancement grants		4,000,000
Michigan nurse scholarship		3,000,000
Minority owned business support		10,000,000
New Michigander support		3,000,000
Public infrastructure grants		234,420,000
Public safety grants		176,400,000
Skilled trade grant program		28,000,000
Sports infrastructure compliance		3,000,000
Talent investment pilot		5,000,000
Transformational municipal infrastructure		40,000,000
Voluntary income tax assistance grants		3,300,000
Workers' disability compensation agency		1,200,000
Workforce development grants		35,000,000
Workforce stabilization		3,000,000
Workforce training: hospitality training program		10,000,000
GROSS APPROPRIATION	\$	1,045,330,000
Appropriated from:		
Federal revenues:		
State fiscal recovery fund		15,000,000
Special revenue funds:		
Michigan community development financial institution fund		10,000,000
State general fund/general purpose	\$	1,020,330,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$1,662,371,400.00 and state spending from state

sources to be paid to local units of government for fiscal year 2023-2024 is \$72,724,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
At-risk youth grants	\$	5,700,000
Going pro		54,750,000
Workforce development programs		10,999,900
Michigan rehabilitation services		275,000
Arts and cultural program		1,000,000
TOTAL	\$	72,724,900

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

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

- (a) “Department” means the department of labor and economic opportunity.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “Fund”, unless the context clearly implies a different meaning, means the Michigan strategic fund.
- (e) “MEDC” means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- (f) “MEGA” means the Michigan economic growth authority.
- (g) “MiSTEM” means Michigan science, technology, engineering, and mathematics.
- (h) “PATH” means Partnership. Accountability. Training. Hope.
- (i) “STEM” means science, technology, engineering, and mathematics.
- (j) “USDOL” means the United States Department of Labor.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on a website.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261:

- (a) Funds appropriated in part 1 must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or an agency within the department who is in the state classified civil service because the employee communicates with a member of the senate or house or a member’s staff, unless the communication is prohibited by law and the department taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose 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. 212. 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. 213. Within 14 days after the release of the executive budget recommendation, the department receiving appropriations in part 1 shall provide to the state budget office information sufficient to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, 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 prior 2 fiscal years.

Sec. 214. The department receiving appropriations in part 1 shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of the department shall take all reasonable steps to ensure geographically-disadvantaged business enterprises, as that term is defined in Executive Directive 2019-08, compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically-disadvantaged business enterprises, as that term is defined in Executive Directive 2019-08, for services, supplies, or both.

Sec. 216. On a quarterly basis, the department shall report to the senate and house appropriations committees and the report recipients required in section 205 of this part a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this part and part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this part and part 1 for the particular department, board, commission, officer, or institution.

Sec. 219. The department receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the joint committee on administrative rules and to the report recipients required in section 205 of this part.

Sec. 221. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 222. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report any amounts of severance pay for a department director, deputy director, or other high-ranking department officials not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 223. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 shall post its in-person, remote, or hybrid work policy on its website.

Sec. 224. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 225. If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for the department, the department shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the report recipients required in section 205 of this part.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$15,000,000.00 for federal contingency authorization. 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 \$510,000,000.00 for state restricted contingency authorization. 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 \$11,000,000.00 for private contingency authorization. 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 \$2,000,000.00 for local contingency authorization. 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. 302. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director within 10 business days after receiving any additional pass-through funds.

Sec. 303. As a condition of receiving funds in part 1, the department shall utilize SIGMA as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. 304. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

Sec. 305. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department, and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

Sec. 306. (1) The department may sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only to R 418.10101 to R 418.101504 of the Michigan Administrative Code.

(2) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 307. If the revenue collected by the department for radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 308. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days regarding whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and the specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

STRATEGIC OUTREACH AND ATTRACTION RESERVE

Sec. 350. Up to \$500,000,000.00 from the strategic outreach and attraction reserve fund is appropriated to the strategic outreach and attraction reserve fund established in section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254. Funds appropriated in this section must be used to support activities under section 88s or 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s and 125.2088t, after they have been transferred to another line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Pursuant to section 4(2) of the Michigan trust fund act, 2000 PA 489, MCL 12.254, funds appropriated under this section that are not restricted, obligated, or committed at the close of the fiscal year ending September 30, 2024 must lapse to the state general fund.

Sec. 351. The legislature finds and declares that appropriations for the critical industry program and the Michigan strategic site readiness program are for a public purpose and serve the health, safety, and general welfare of the residents of this state.

Sec. 352. (1) It is the intent of the legislature that the funds in part 1 for the critical industry program and the Michigan strategic site readiness program are expended in a manner that will maximize job creation, grow wages, support existing business in this state, attract new business development to this state, and include community support and equity.

(2) It is the intent of the legislature that the Michigan strategic fund prioritize the adoption of conditions related to the expense of funds in part 1 that include, but are not limited to, the following:

(a) Claw-back provisions in a written agreement between the fund and a qualified business relating to the creation or retention of jobs must be structured to ensure that those jobs are retained for not less than 5 years.

(b) Projects must be located in a qualified census tract, as defined by the United States Department of Housing and Urban Development, or in communities with an unemployment rate in excess of the state average.

(c) A written agreement between the fund and a qualified business or eligible applicant that must include a first-source hiring provision between the qualified business or eligible applicant and an entity or entities recommended by the workforce development agency serving the area where the project is located.

(d) A written agreement between the fund and a qualified business or eligible applicant that must include a community benefits agreement as determined by the fund.

(e) A written agreement between the fund and a qualified business or eligible applicant that must require the qualified business or eligible applicant to offer employee services may include, but not be limited to:

- (i) Child care services.
- (ii) Transportation supports.
- (iii) Postsecondary educational institutions.
- (iv) Customized assistance programs for employees.
- (v) Customized job training programs, job readiness programs, or extension programs.
- (vi) Credential requirements pipeline programs.
- (vii) Workforce talent investment programming.
- (viii) Tuition debt forgiveness or repayment supports.
- (ix) Outreach, screening, preapplication support, and interviewing services.
- (x) On-site training and support centers.

(3) As used in this section:

(a) “Eligible applicant” means that term as defined under section 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t.

(b) “Qualified business” means that term as defined under section 88s of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 401. (1) MSHDA shall annually present a report to the state budget director and the subcommittees on the status of the authority’s housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily, single, and manufactured family housing production goals.

(2) MSHDA shall not restrict eligibility in any financing program for housing units without a permanent foundation unless this restriction is required by the funding source.

Sec. 402. The funds appropriated in part 1 for the Michigan housing and community development program shall be expended for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

Sec. 403. In addition to the funds appropriated in part 1, federal HUD-CPD community development block grant funding is appropriated to complete all program activities from prior program years ending with the 2022 program allocation per Executive Reorganization Order 2023-1. These funds may be expended for the community development block grant program and administration of the program.

STATE LAND BANK AUTHORITY

Sec. 451. (1) In addition to the amounts appropriated in part 1, the state land bank authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

(2) Not later than March 15, the state land bank authority shall prepare a report on the number of real properties acquired, leased, managed, demolished, maintained, or rehabilitated in the immediately preceding fiscal year. The report must be submitted to the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director.

MICHIGAN STRATEGIC FUND

Sec. 501. The report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, must be transmitted by March 15.

Sec. 502. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of “Pure Michigan” and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of this state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of “Pure Michigan”, the fund shall provide a report that lists the revenues by source received from the use of “Pure Michigan” and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided by March 15.

Sec. 503. (1) From the funds appropriated in part 1 for Pure Michigan, general fund dollars shall be appropriated for the following purposes:

- (a) Conduction of market research regionally, nationally, and internationally for use in market campaigns.
- (b) Production of advertisements for the promotion of Michigan as a place to live, learn, build, work, play, and succeed, which may include a focus on talent attraction, labor retention, and relocating to Michigan to find education and job opportunities for students, graduates, and families.

(c) Placement of advertisements that have a diverse representation in regional, national, and international market campaigns to promote Michigan as a state that welcomes all individuals and families.

(d) Administration of the program.

(e) Other activities that promote Michigan as a place to live, learn, build, work, play, and succeed.

(f) Matching marketing campaigns funded from the local promotion fund or private promotion fund.

(2) The fund may contract any of the activities under subsection (1).

(3) The fund may work in cooperation with local units of government, nonprofit entities, and private entities on Pure Michigan promotion campaigns. The fund shall include agreements prior to undertaking cooperative marketing campaigns.

(4) The department shall provide an annual report no later than March 15, on the utilization of funds for eligible activities in subsection (1), including a breakdown by eligible use, efforts taken to broaden the scope of marketing activities to diverse populations, and targeted marketing to encourage residents from other states to move to this state.

Sec. 504. (1) A local promotion fund is created in the department of labor and economic opportunity. The fund may receive funds from local units of government and nonprofit entities and deposit these funds into the local promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for local units of government and nonprofit entities that deposit funds into the local promotion fund upon request from a local unit of government. As used in this subsection, "local unit of government" includes cities, villages, townships, counties, and regional councils of government.

(2) Local promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 505. (1) A private promotion fund is created in the department of labor and economic opportunity. The fund may receive funds from private entities and deposit these funds into the private promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for private entities that deposit funds into the private promotion fund upon request from a private entity.

(2) Private promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 506. (1) As a condition of receiving funds appropriated in part 1, the fund shall provide a report of all approved amendments to projects for the immediately preceding year under sections 88r and 90b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088r and 125.2090b. The report shall provide a description of each amendment, by award, which shall include, but is not limited to, the following:

(a) The amended award amount relative to the prior award amount.

(b) The amended number of committed jobs relative to the prior number of committed jobs.

(c) The amended amount of qualified investment committed relative to the prior amount of qualified investment committed.

(d) A description of any change in scope of the project.

(e) A description of any change in project benchmarks, deadlines, or completion dates.

(f) The reason or justification for the amendment approval.

(2) In addition to being posted online, the report shall be distributed by March 15.

Sec. 507. (1) As a condition of receiving funds appropriated in part 1, the fund shall request the following information from the MEDC:

(a) Approved budget from the MEDC executive committee for the current fiscal year and actual budget expenditures for the preceding fiscal years.

(b) Expenditures and revenues as part of the current and preceding year budgets, including the available fund balance for the current and preceding fiscal years.

(c) The total number of FTEs, by state and corporate status.

(d) A reporting of activities, programs, and grants consistent with the preceding fiscal year budget.

(2) Information received by the MSF pursuant to this section shall be posted online and distributed by March 15.

Sec. 508. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language that states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 509. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

(a) The land is located in an economically distressed area.

(b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.

(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(4) If land or options on land are purchased under subsection (1), the fund shall provide a report that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.

Sec. 510. As a condition for receiving funds in part 1, not later than March 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 511. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds, including encumbered funds subsequently unobligated, shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

(3) For funds appropriated in part 1 to the fund, any carryforward authorization subsequently created through a work project shall be preserved until a cash or accrued expenditure has been executed or the allowable work project time period has expired.

Sec. 512. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

(a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or his or her designee.

(d) All reports required by law to be submitted to the legislature.

(2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 513. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 514. From the funds appropriated in part 1 for business attraction and community revitalization, not less than 20% shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 520. (1) The fund shall report on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the fund with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

(a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.

(b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.

(c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.

(d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.

(e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088d.

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

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(c) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

(iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

Sec. 521. As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the activities of the Michigan film and digital media office for the immediately preceding fiscal year. The report shall include, but not be limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 522. As a condition of receiving an award from the fund, each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports by March 15.

Sec. 523. From the appropriations in part 1, the Michigan arts and culture council shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the council shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The council shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(e) In addition to the information in subdivision (d), the council shall report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

Sec. 524. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 525. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose.

Sec. 526. (1) The fund, in conjunction with the department of treasury, shall report by November 1 on the annual cost of the MEGA tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 527. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to this state, the fund, on behalf of the MSF board, shall notify not fewer than 30 days prior to the authorization of the tax credit transfer.

Sec. 528. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created by the business attraction program during the prior fiscal year.

(b) Total private investment obtained through the business attraction and community revitalization programs during the prior fiscal year.

(c) Amount of private and public square footage created and reactivated through the community revitalization program during the prior fiscal year.

(2) The fund must submit a report 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 for the prior fiscal year if related information is available for the prior fiscal year.

Sec. 529. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 530. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, and for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the Michigan strategic fund for administrative expenses, are appropriated pursuant to the provisions of chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 531. The department shall provide a biannual report on March 15 and September 30 that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit within the job creation services line item.

Sec. 532. The funds appropriated in part 1 for Michigan defense center program must be used by the Michigan strategic fund to protect and grow the defense and homeland security industry in Michigan by protecting the state's current department of defense missions, infrastructure, and industry, including securing new missions and increasing defense and homeland security spending in this state. These funds may be used for, but are not limited to, the following activities:

- (a) Helping Michigan businesses identify federal defense contract opportunities.
- (b) Providing technical assistance for bid responses to federal defense contracts.
- (c) Strengthening cybersecurity compliance at Michigan businesses to qualify for federal defense contracts.

Sec. 533. The funds appropriated in part 1 for revitalization and placemaking program shall be expended for projects as described in section 696 of the income tax act of 1967, 1967 PA 281, MCL 206.696.

EMPLOYMENT SERVICES

Sec. 601. From the funds appropriated in part 1 for wage and hour program, the department shall increase investigations of child labor violations and wage theft from workers.

WORKFORCE DEVELOPMENT

Sec. 701. (1) The funds appropriated in part 1 for the Tri-share child care program shall be awarded for the continuation of the child care pilot project originally initiated and funded in section 1047(31) of article 5 of 2020 PA 166.

(2) Except as otherwise provided in this subsection, funding appropriated in part 1 must be used to fund existing child care facilitator hubs. The department may fund new child care facilitator hubs provided sufficient funding exists to support all existing hubs, including hubs currently funded with private dollars. Any new hubs added must increase the number of participating counties or serve statewide employers.

(3) Any child care facilitator receiving funds under this section must be a nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

(4) Not more than \$200,000.00 may be used for administration of the program.

Sec. 702. The department shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 703. From the funds appropriated in part 1 for workforce development, the department may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Census Bureau according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The department shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 704. From the funds appropriated in part 1, the department shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 705. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The department shall report by February 15 on the amount by fiscal year of federal workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated under this section.

Sec. 706. From the funds appropriated in part 1, the department shall provide a report on going pro expenditures, by program or grant type, for the prior fiscal year. In addition, the report shall include projected expenditures, by program or grant type, for the current fiscal year. The report shall be posted online and distributed by March 15.

Sec. 707. (1) The department shall publish data and reports on March 15 and September 30 on the department website concerning the status of going pro funded in part 1. The report shall include the following:

- (a) The number of awardees participating in the program and the names of those awardees organized by major industry group.
- (b) The amount of funding received by each awardee under the program.

- (c) Amount of funding leveraged from each awardee.
- (d) Training models established by each awardee.
- (e) The number of individuals enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.
- (f) The number of qualified employees who completed the approved training.
- (g) The number of applications received and the number of grants awarded for each region.
- (h) The number of individuals hired and trained.
- (i) Going pro expenditures, by program or grant type, for the prior fiscal year and projected expenditures, by program or grant type, for the current fiscal year.

(2) The department shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, individuals to be hired and trained, current employees trained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 708. To the extent consistent with sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL 408.157 and 408.159, the department shall administer the program as follows:

- (a) The department shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.
- (b) The department, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The department shall ensure that going pro provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout this state.
- (c) The department shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.

(d) The department shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the department website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the department shall identify solutions and goals to be implemented to satisfy those needs. Revenue received by the department for going pro may be expended for the purpose of those programs.

Sec. 709. The funds appropriated in part 1 for MiSTEM advisory council shall be used to support the staff for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM council. The staff for the MiSTEM network shall do all of the following:

- (a) Serve as a liaison among and between the department, the department of education, the MiSTEM council, the governor's workforce development board, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils.
- (b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.
- (c) Work with the department of education and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.
- (d) Report to the governor, the legislature, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.
- (e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.
- (f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.
- (g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM council and the department of education.
- (h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

Sec. 710. (1) Of the funds appropriated in part 1 for workforce development, the department shall provide a report on the status of workforce development by March 15. The report shall include the following:

- (a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan Works! agency.

(c) The average duration of training for training program participants by each Michigan Works! agency.

(d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.

(e) The number of participants enrolled in programs at 2-year institutions.

(f) The number of participants enrolled in programs at 4-year institutions.

(g) The number of participants enrolled in proprietary schools or other technical training programs.

(h) The number of participants that have completed education or training programs.

(i) The number of participants who secured employment in Michigan within 1 year of completing a training program.

(j) The number of participants who completed a training program and secured employment in a field related to their training.

(k) The average wage earned by participants who completed a training program and secured employment within 1 year.

(l) The actual revenues received by the fund source and fund appropriated for each discrete workforce development program area.

(2) Data collection for the report shall be for the prior state fiscal year.

Sec. 711. From the funds appropriated in part 1 for helmets to hardhats, funds shall be awarded to a national nonprofit program that connects national guard, reserve, retired, and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. Grant funding must be used to recruit and assist veterans to transition into apprenticeship programs in this state.

Sec. 712. (1) The funds appropriated in part 1 for the 23+ high school diploma program must be awarded for a program to assist adults over 23 years of age in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in this state.

(3) The department shall issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must offer all of the following:

(a) Dropout reengagement services.

(b) Academic intake assessments.

(c) An integrated learning plan.

(d) Course catalog that includes all graduation requirements.

(e) Remediation coursework.

(f) Academic resilience assessment and intervention.

(g) Employability skills development.

(h) Industry recognized credentials.

(i) Credit for on-the-job training.

(j) A robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.

(k) Provide WorkKeys preparation.

(4) The department shall announce qualified program providers no later than January 1 of the current fiscal year. Qualified program providers must start providing programming by February 1 of the current fiscal year.

(5) The department shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act of 1979, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by a pupil:

(a) \$500.00 for the completion of an employability skills certification program equal to at least 1 unit of high school credit obtained through classroom or online instruction.

(b) \$250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) \$500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) \$750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) \$1,000.00 for attainment of a high school diploma.

(f) \$2,500.00 for placement in a job in an in-demand career pathway.

(6) The department shall develop policies and guidelines to implement this section.

Sec. 713. The funds appropriated in part 1 for at-risk youth grants must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program for the administration of the Jobs for Michigan's Graduates program.

Sec. 714. (1) The funds appropriated in part 1 for the high school equivalency-to-school program shall be used for the purpose of funding the cost of high school equivalency testing and certification as provided by this section. The department shall administer a Michigan high school equivalency-to-school program, which shall cover the cost of providing the high school equivalency test free of charge to individuals who meet all of the following requirements:

(a) The individual has not previously been administered a high school equivalency test free of charge under this section.

(b) The individual meets at least 1 of the following requirements:

(i) Prior to taking the high school equivalency test, the individual successfully completed a department-approved high school equivalency preparation program.

(ii) Prior to taking the high school equivalency test, the individual completed the official high school equivalency practice test and the individual's score indicated that the individual is likely to pass.

(2) A department-approved high school equivalency preparation program shall include all of the following:

(a) Instructional and tutorial assistances.

(b) High school equivalency test practice.

(c) Required attendance at program instructional sessions.

(d) A curriculum that prepares students for opportunities in postsecondary education and the job market.

(e) Information on potential postsecondary and career pathways.

(f) Counseling on preparing for and applying to college.

(g) Personal and job readiness skills development.

(h) Comprehensive information on college costs and financial aid.

(i) College and career assessments.

(j) Computer-based instruction, practice, or remediation.

(3) The department shall post online an announcement of the Michigan high school equivalency-to-school program, minimum standards for high school equivalency preparation program approval, and approval procedures.

(4) The department shall do all of the following:

(a) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(b) Provide program information for educators and students on the department website, including explanations of the procedures developed under this subsection, and contact information for questions about the program.

(c) Provide an estimate of the full-year cost of the program to the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, and the state budget director.

(5) By September 30, the department shall report on utilization of the high school equivalency incentive program, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or both.

Sec. 715. The funds appropriated in part 1 for the Michigan reconnect grant program shall be distributed pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709. In compliance with section 5 of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1705, the funds appropriated in part 1 shall be expended to award grants, administer the program, and support the duties outlined in section 5 of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1705.

Sec. 716. (1) The department shall provide reporting regarding the interagency agreement with the department of health and human services, which concerns TANF funding to provide job readiness and welfare-to-work programming. The reporting shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the department in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The department shall provide all of the following items for the previous year by January 1 of the current fiscal year:

(a) An itemized spending report on TANF funding, including all of the following:

(i) Direct services to clients.

(ii) Administrative expenditures.

(b) The number of family independence program clients served through the TANF funding, including all of the following:

(i) The number and percentage who obtained employment through Michigan Works!

(ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(iii) Average TANF spending per client.

(iv) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) Not later than March 15 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on health and human services and the recipients in section 205 an annual report on the following matters itemized by Michigan Works! agency:

(a) The number of referrals to Michigan Works! job readiness programs.

(b) The number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs.

(c) The number of participants who obtained employment.

(d) The cost per participant case.

(3) As used in this section, "TANF" means temporary assistance for needy families as described in 42 USC 601 to 619.

UNEMPLOYMENT

Sec. 801. The unemployment insurance agency shall provide a report updated at least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit. Each quarterly report shall be transmitted within 60 days after the end of the quarter.

Sec. 802. (1) From the funds appropriated in part 1, the department on behalf of the unemployment insurance agency shall provide a quarterly report within 30 days after the end of each quarter that includes, but is not limited to, the following:

(a) The average number of unique claimants for the quarter.

(b) The average number of eligible claimants with certification for the quarter.

(c) The average number of claims paid for the quarter.

(d) The total amount of standard unemployment insurance payments paid for the quarter.

(e) The total amount of unemployment insurance tax generated for the quarter.

(f) The balance of the Michigan unemployment trust fund at the end of the quarter.

(2) The department shall include the same information required in subsection (1) for the previous 12 months. The department shall include the most recent quarterly report on the department's webpage.

Sec. 803. From the funds appropriated in part 1, the department shall provide a quarterly report within 45 days after the end of each quarter that includes, but is not limited to, the following:

(a) The number of new fraudulent and noncompliant cases that have been identified or issued by the unemployment insurance agency, classified by employer or claimant, during the quarter.

(b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.

(c) The total amount of penalties and interest dollars received during the quarter by employer or claimant.

(d) The total amount of collectible penalties and interest still owed to this state by employer or claimant.

(e) The number of fraudulent and noncompliant cases that have been appealed by an employer or claimant during the quarter.

Sec. 804. The funds appropriated in part 1 for unemployment insurance agency shall be used to staff unemployment insurance agency branch offices for in-person appointments for unemployment insurance agency claimant services.

Sec. 805. Funds appropriated in part 1 for the unemployment insurance agency may be used by the unemployment insurance agency to increase capacity by an estimated 500 limited-term employees only if the unemployment insurance agency provides full-time, in-person services at existing unemployment insurance local offices.

Sec. 806. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the department shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Unemployment benefit fund balance.

(b) Process improvement - fiscal integrity.

(c) Process improvement - determination timeliness.

(d) Process improvement - determination quality.

Sec. 807. Funds earned or authorized by the USDOL in addition to the appropriation in part 1 for the unemployment insurance agency are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the recipients in section 205 of the purpose and amount of each grant award.

REHABILITATION SERVICES

Sec. 901. The Michigan rehabilitation services and bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify allowable match dollars to secure available federal vocational rehabilitation funds.

Sec. 902. From the funds appropriated in part 1, the department shall provide an annual report on efforts taken to improve the Michigan rehabilitation services by February 1. The report shall include all of the following line items:

- (a) Reductions and changes in administration costs and staffing.
- (b) Service delivery plans and implementation steps achieved.
- (c) Reorganization plans and implementation steps achieved.
- (d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 903. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate funding along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) By March 1 of the current fiscal year, the department shall report on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 904. If the department is at risk of entering into an order of selection for services, the department shall notify the recipients in section 205 within 2 weeks of receiving notification.

Sec. 906. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations, including 45 CFR Part 1329, for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including, but not limited to, support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) In partnership with service providers, the department shall provide a report by March 1 of the current fiscal year on direct customer and system outcomes and performance measures.

Sec. 907. (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 must carry forward to the subsequent fiscal year.

Sec. 908. 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 may 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 department of treasury.

Sec. 909. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

COMMISSIONS

Sec. 951. From the funds appropriated in part 1, the office of global Michigan is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by January 31. The report shall include, but is not limited to, the following:

- (a) Total number of people with whom each commission directly interacts through programming.
- (b) Total number of public events that each commission conducted.
- (c) Description of the activities that the commissions initiated to promote cooperation between the commissions.
- (d) Total number of meetings that each commission held with foreign diplomats.
- (e) Programmatic costs of each commission.

Sec. 952. An expenditure of funds appropriated in part 1 by the Asian Pacific American affairs commission, the commission on Middle Eastern American affairs, or the Hispanic/Latino commission of Michigan for a commission event must be directly related to the mission statement of that commission.

Sec. 953. The office of global Michigan must produce a report by January 31. The report may include other information, but it must include all of the following:

- (a) A description of the major programs and activities of the office of global Michigan and the number of individuals served through those programs.
- (b) The number of refugee arrivals, the job placement rate of those refugees actively receiving services under the global Michigan grants, and the average wage and initial job placements for those refugees.
- (c) A description of the activities that the office has conducted to attract and retain international, advanced degree, and entrepreneurial talent.

ONE-TIME APPROPRIATIONS

Sec. 1000. From the funds appropriated in part 1 for adult literacy opportunity fund, the department shall allocate \$2,000,000.00 to a 501(c)(3) nonprofit organization formed in 1983 whose mission is to engage in partnerships, provide member support, and advocate for lifelong learning, leading to employment and self-sufficient families and that is located in a township with a population between 30,000 and 34,000 and a county with a population between 109,000 and 110,000 according to the most recent federal decennial census for a grant program for adult education programs. The nonprofit shall submit an annual report on how funding was spent. Each recipient receiving a grant from the program must be a 501(c)(3) organization and shall receive a cost allocation of \$2,000.00 per learner, up to \$150,000.00 per grant recipient.

Sec. 1001. (1) From the funds appropriated in part 1 for child savings accounts, the department shall allocate \$2,500,000.00 to a nonprofit trade association to provide the following:

- (a) Enhancement of existing child savings account programs.
- (b) Pilot programs serving depressed and deprived communities that do not have a child savings account program.
- (2) As used in subsection (1), "child savings account programs" is defined as programs that provide at least 1 of the following:
 - (a) Incentives to increase student and family participation.
 - (b) Promotion of sustainable fundraising practices.
 - (c) Prioritization of marginalized communities.
 - (d) Wraparound services.
 - (3) Administration costs to provide the services listed in subsection (1) may not exceed \$250,000.00.

Sec. 1002. (1) From the funds appropriated in part 1 for college success fund and student wraparound supports, the department shall use \$11,500,000.00 for student wraparound services and basic needs supports to support public colleges and universities and tribal colleges as they address students' basic needs and barriers to graduation and completion. The department may award grants to public colleges, universities, or tribal colleges, as well as nonprofit organizations selected in consultation with public colleges and universities and tribal colleges for student wraparound supports strategies that include, but are not limited to:

- (a) Conducting benefit screenings to ensure eligible students are accessing the public benefits for which they qualify.
- (b) Supporting emergency housing solutions, child care, on-campus food pantries, and other efforts to address housing and food insecurity or other basic needs.
- (c) Providing emergency grants to students to address barriers to completion.
- (d) Providing additional funding for mental health supports.
- (e) Providing grants to resolve students' institutional barriers preventing re-enrollment.
- (f) Providing grants for comprehensive advising and counseling programs.
- (2) The remaining funds appropriated in part 1 for college success fund and student wraparound supports shall be used for competitive college success grants to public community colleges and universities, tribal

colleges, and nonprofit organizations in this state with demonstrated experience collaborating with universities and community colleges to increase degree completion to implement strategies that will improve graduation and completion rates among new, returning, and near completer students as defined by the department. Eligible entities may apply for a grant individually or in partnership with other eligible entities. The department may award grants to eligible entities for grants that include, but are not limited to:

- (a) Implementing best practices for increasing student retention and progress toward degree completion.
- (b) Supporting the redesign of courses and instruction to better align with student and workforce needs.
- (c) Pilot projects that implement innovative new strategies to increase graduation, completion, and postgraduation employment rates.
- (d) Supporting returning students in consultation and cooperation with the Michigan reconnect grant program.
- (e) Providing grants to support improved transfer rates to 4-year institutions for students who complete an associate degree at a community or tribal college in this state.
- (f) Pilot projects targeting near completer student populations as defined by the department in returning to finish a bachelor's degree.

(3) The department shall give priority to grant requests that target demographic populations with traditionally lower success rates.

(4) Eligible applicants receiving grant funds under subsection (2) must include an evaluation plan in their application. Evaluation is an allowable use of grant dollars when approved by the department. All evaluations shall be submitted to and made available upon request by the department.

(5) The department shall develop program guidelines, eligibility criteria, and an application process for the programs identified in subsections (1) and (2) and shall post that information on its publicly accessible website prior to the due date of the application.

(6) From funds appropriated in part 1 for college success fund and student wraparound supports, the department may hire limited-term employees and may expend up to 3% for administrative implementation and oversight of the program.

(7) The unexpended funds appropriated in part 1 for college success fund and student wraparound supports are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(b) The tentative completion date is September 30, 2028.

Sec. 1003. (1) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$12,000,000.00 to a statewide nonprofit alliance with at least 17 publicly accessible locations statewide for satellite program or infrastructure grants.

(2) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$5,000,000.00 to a public university in a city with a population between 7,000 and 8,000 in a county with a population between 39,000 and 40,000 according to the most recent federal decennial census for museum construction at the entrance to the university.

(3) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$500,000.00 to a nonprofit organization in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for an applied arts program for teens to assist in their transition into adulthood by providing resources in career preparation, social-emotional support, and leadership training.

(4) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$500,000.00 to a nonprofit organization in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census to expand programming for youth skilled trades development and reduced community violence.

(5) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$500,000.00 to a nonprofit organization in a city with a population between 190,000 and 200,000 according to the most recent federal decennial census to support conductive learning; a process for training and teaching conductive learning for K-to-12-aged children with the most severe spina bifida and cerebral palsy cases.

(6) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$2,500,000.00 to a city with a population greater than 600,000 according to the most recent federal decennial census to implement a right to counsel program for city tenants in eviction proceedings.

(7) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$500,000.00 to a nonprofit in a city with a population between 80,000 and 82,000 in a county with a

population between 400,000 and 410,000 according to the most recent federal decennial census to support a microbusiness resource center to support local innovators and entrepreneurs, manage co-working space for local entrepreneurs, and relaunch shops in the city.

(8) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$1,000,000.00 to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census to construct an urban equestrian education center.

(9) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$100,000.00 to a branch of a nonprofit volunteer service organization based in a city with a population between 45,000 and 49,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census to support positive community outreach and youth engagement activities.

(10) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$250,000.00 to a nonprofit organization in a city with a population between 73,000 and 74,000 in a county with a population between 260,000 and 262,000 according to the most recent federal decennial census to preserve and repurpose a church building.

(11) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$1,000,000.00 to a nonprofit organization in a city with a population between 40,000 and 44,000 in a county with a population between 82,000 and 85,000 according to the most recent federal decennial census to provide community-based youth development and resiliency programs.

(12) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$1,000,000.00 to a nonprofit organization in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census to create a housing co-op within a 4,000-square-foot space.

(13) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$250,000.00 to a nonprofit theater in a city with a population between 3,700 and 3,900 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census to support theater programming and operations.

(14) From the funds appropriated in part 1 for community enhancement grants, \$4,000,000.00 shall be awarded to a historical society that operates 2 museums in a city with a population of greater than 600,000 according to the most recent federal decennial census.

(15) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$2,000,000.00 to a nonprofit arts council located in a city with a population between 10,000 and 10,100 in a county with a population between 192,000 and 195,000 according to the most recent federal decennial census to supplement funding for a multipurpose cultural and community events structure with 2 distinct event venues.

(16) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$500,000.00 to a nonprofit organization located in a city with a population between 195,000 and 200,000 according to the most recent federal decennial census to design and renovate a community center to establish a refugee and immigrant community center.

(17) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$5,000,000.00 to a city with a population between 120,000 and 125,000 according to the most recent federal decennial census for the partial construction cost of a solar power plant.

(18) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to an organization that provides support for Yemeni immigrants and is headquartered in a city with a population between 28,400 to 28,500 in a county with a population over 1,700,000 according to the most recent federal decennial census to provide services to the community.

(19) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$1,500,000.00 to a city with a population between 135,000 and 140,000 according to the most recent federal decennial census for parks and recreation facility improvements.

(20) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$380,000.00 to a city with a population between 15,000 and 16,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to supplement construction of a city community center.

(21) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be awarded to a nonprofit 501(c)(3) organization that operates a comprehensive outdoor recreation center that assists in reassimilation of United States military service members, veterans, and their families located in a county with a population of between 193,000 and 194,000 according to the most recent federal decennial census for a recreational center.

(22) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to a 501(c)(3) nonprofit organization that partners with a police department and community volunteers to help youth through athletic, academic, and leadership development programs located in a city with a population greater than 600,000 according to the most recent federal decennial census for renovations and additions.

(23) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded for a symphony economic recovery program that distributes need-based grants to symphonies in this state that have a demonstrated financial need for state support. The department or the Michigan strategic fund must develop need-based grant program guidelines and implement a grant application process. Grants shall be awarded on a proportional basis if grant applications exceed the allocated \$3,000,000.00.

(24) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to a city with a population of between 4,600 and 4,700 located in a county with a population of between 66,000 and 66,100 according to the most recent federal decennial census for the restoration of a theatre.

(25) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to a community-based 501(c)(3) nonprofit organization focused on providing a safe environment for adult-led, youth-driven after-school programming, tutoring, volunteer opportunities, and social activities that will impact teens so that they become successfully engaged in their families, schools, and communities located in a city with a population of between 5,200 and 5,300 and in a county with a population of between 109,000 and 110,000 according to the most recent federal decennial census to support a new teen center.

(26) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a 501(c)(3) nonprofit human services agency that opened in 1985 and was nationally accredited in 1997 that is located in a county with a population of between 193,500 and 194,000 according to the most recent federal decennial census for the relocation of the nonprofit office to continue to provide services.

(27) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a city with a population greater than 600,000 according to the most recent federal decennial census for operations and improvements at a recreation center.

(28) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a holocaust center in a city with a population of between 83,900 and 84,000 and in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(29) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a 501(c)(3) nonprofit corporation headquartered in a city with a population between 50,000 and 60,000 and in a county with a population greater than 1,200,000 according to the most recent federal decennial census to support the operation and expansion of its entertainment industry skilled trades program for youth aged 16 to 24 that introduces participants to industry professionals in the music technology and digital media sector and enables students with the technical skills training in music and film production technology necessary to earn professional certifications.

(30) From the funds appropriated in part 1 for community enhancement grants, \$1,800,000.00 shall be awarded to a professional ballet company located in a city with a population of between 198,000 and 200,000 and in a county with a population of between 657,000 and 660,000 according to the most recent federal decennial census to support building renovations and the expansion of services.

(31) From the funds appropriated in part 1 for community enhancement grants, \$1,700,000.00 shall be awarded to a city with a population of between 52,500 and 53,000 located in a county with a population of between 134,000 and 134,500 according to the most recent federal decennial census for structural repairs at a museum.

(32) From the funds appropriated in part 1 for community enhancement grants, \$3,500,000.00 shall be awarded to a 501(c)(3) nonprofit organization with a mission to use restorative art to disrupt historical systems of oppression by reimagining education located in a city with a population of between 198,000 and 200,000 and in a county with a population of between 657,000 and 660,000 according to the most recent federal decennial census for capital investment at the organization's headquarters.

(33) From the funds appropriated in part 1 for community enhancement grants, \$4,000,000.00 shall directly be awarded to an African-American museum in a city with a population greater than 600,000 according to the most recent federal decennial census.

(34) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a nonprofit organization that provides young people with practical economic education programs and experiences in the competitive private enterprise system through business and education communities located in a city with a population greater than 600,000 and in a county with a population between 198,000 and 200,000 according to the most recent federal decennial census for equal program resources and staffing in each city location.

(35) From the funds appropriated in part 1 for community enhancement grants, \$1,200,000.00 shall be awarded to a 501(c)(3) nonprofit organization that operates a neighborhood pool located in a city with a population of between 123,800 and 124,000 and in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census for pool renovations.

(36) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a nature center that is a 501(c)(3) organization with an outdoor environmental lab located in a county with a population of between 657,000 and 660,000 according to the most recent federal decennial census for capital upgrades and to make enhancements to enable public school use.

(37) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to an opera located in a city with a population greater than 600,000 according to the most recent federal decennial census for HVAC system upgrades, the Americans with Disabilities Act improvements, security, and historic asset preservation.

(38) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a 501(c)(3) organization with a proven leadership development program that pairs girls with strong, caring female role models and mentors who prepare them to take the lead from age 5 to 18 and into adulthood located in a city with a population greater than 600,000 according to the most recent federal decennial census for the construction of an immersive education destination for youth in this state offering entrepreneurship, outdoor education, STEM/STEAM activities, and life skills programming.

(39) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a public museum located in a city with a population of between 198,000 and 200,000 and in a county with a population of between 657,000 and 660,000 according to the most recent federal decennial census for a capital project that would create a new grand entrance for the public and an interactive space for school groups.

(40) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a city with a population of between 29,000 and 30,000 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support an event center.

(41) From the funds appropriated in part 1 for community enhancement grants, \$800,000.00 shall be awarded to an early childhood development commission located in a county with a population of between 22,200 and 22,400 according to the most recent federal decennial census to expand a pilot program to address child care needs and lower costs for families and expand building and current operations, including a new satellite staff training course.

(42) From the funds appropriated in part 1 for community enhancement grants, \$700,000.00 shall be awarded to an internationally recognized nonprofit workforce development organization founded in 2012 that provides homeless individuals full-time employment, training, and individually tailored wraparound services and is located in a city with a population greater than 600,000 according to the most recent federal decennial census for an expansion of its garment workforce training program for the homeless and chronically unhoused population.

(43) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a 501(c)(3) nonprofit serving the metro Detroit area that works to empower youth ages 14 to 24 with the confidence, skills, knowledge, and onramps to opportunities to achieve goals and build their future for a workforce development program.

(44) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a city with a population of between 19,100 and 19,200 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support a recreation center.

(45) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a 501(c)(3) nonprofit organization established to lead and support efforts to rehabilitate and preserve a historic theatre located in a city with a population of between 7,600 and 7,800 and in a county with a population of between 134,000 and 135,000 according to the most recent federal decennial census to retire a capital campaign debt and to facilitate additional community programming.

(46) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to an organization that helps children and families shape their own futures by working with children who struggle with behavioral, emotional, educational, intellectual, and developmental challenges or may have experienced trauma that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to support youth crisis care and crisis to connection programming.

(47) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a foundation associated with a municipal league to support a fellowship position, create a state-wide task force, and implement a permanent home and organization for Michigan City and State Diplomacy.

(48) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a 501(c)(3) nonprofit corporation specializing in physical fitness, health, and sports located in a city with a population between 112,500 and 112,700 according to the most recent federal decennial census for the purpose of expanding a farm-to-family community supported agriculture program that provides significantly discounted fresh produce directly from farmers in this state to local families in need.

(49) From the funds appropriated in part 1 for community enhancement grants, \$400,000.00 shall be awarded to a 501(c)(3) nonprofit organization that focuses on increasing the number of football student-athletes graduating high school and earning college scholarships located in a city with a population greater than 600,000 according to the most recent federal decennial census for the expansion of youth mentoring programs.

(50) From the funds appropriated in part 1 for community enhancement grants, \$300,000.00 shall be awarded to a 501(c)(3) nonprofit organization with a mission to create and support one-on-one youth mentoring relationships located in a city with a population of between 81,200 and 81,300 and in a county with a population of between 406,000 and 407,000 according to the most recent federal decennial census for mental health services.

(51) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a 501(c)(3) nonprofit organization that has a mission of helping children, adults, and families live healthier, happier lives located in a city with a population greater than 600,000 according to the most recent federal decennial census for mental health, early childhood learning, and adult employment and training.

(52) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a nonprofit boxing club located in a city with a population of between 112,600 and 112,700 according to the most recent federal decennial census for facility and equipment upgrades.

(53) From the funds appropriated in part 1 for community enhancement grants, \$200,000.00 shall be awarded to an organization that conducts a project to preserve, research, and display battle flags carried by soldiers of this state in the Civil War, the Spanish American War, and World War I associated with the Michigan State Capitol for preservation, restoration, research, and display of battle flags carried by soldiers of this state.

(54) From the funds appropriated in part 1 for community enhancement grants, \$200,000.00 shall be awarded to a county with a population of between 284,000 and 285,000 according to the most recent federal decennial census to support the county sustainability action plan.

(55) From the funds appropriated in part 1 for community enhancement grants, \$150,000.00 shall be awarded to a 501(c)(3) nonprofit organization with a mission to create awareness of and support for grieving children and their families for infrastructure repairs at multiple branches.

(56) From the funds appropriated in part 1 for community enhancement grants, \$100,000.00 shall be awarded to a 501(c)(3) nonprofit corporation with a mission to stabilize, revitalize, and rebuild Detroit neighborhoods located in a city with a population greater than 600,000 according to the most recent federal decennial census to plan and construct a kids camp facility.

(57) From the funds appropriated in part 1 for a community enhancement grants, \$40,000.00 shall be awarded to a county parks system in a county with a population of between 160,300 and 160,370 according to the most recent federal decennial census for capital costs associated with barn improvements and concrete in the small animal section at the fairgrounds.

(58) From the funds appropriated in part 1 for community enhancement grants, \$100,000.00 shall be awarded to a village with a population of between 5,900 and 6,100 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for security measures, including fencing and cameras, at a former municipal landfill.

(59) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be allocated to a nonprofit corporation that advocates for historic places in this state to contribute to the economic vitality, sense of place, and connection to the past headquartered in a city with a population greater than 600,000 and located within a county with a population greater than 1,500,000 according to the most recent federal decennial census for the restoration of the historic Fisher Building.

(60) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be awarded to a Hispanic chamber of commerce located in a city with a population between 198,000 and 199,000 and in a county with a population between 657,000 and 658,000 to support building construction, renovation, and any other capital improvements.

(61) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a charter township with a population between 43,000 and 43,500 located in a county with a population between 1,270,000 and 1,280,000 according to the most recent federal decennial census to support a nonmotorized connectivity trail.

(62) From the funds appropriated in part 1 for community enhancement grants, \$1,750,000.00 shall be awarded to a city with a population between 48,500 and 49,000 located in a county with a population between 261,500 and 262,000 according to the most recent decennial census to support the establishment of a new outdoor dedicated market space for the city's farmers market and other events.

(63) From the funds appropriated in part 1 for community enhancement grants, \$1,800,000.00 shall be awarded to a charter township with a population between 30,000 and 30,500 located in county with a population greater than 1,750,000 according to the most recent federal decennial census to expand the Iron Belle Trail.

(64) From the funds appropriated in part 1 for community enhancement grants, \$4,000,000.00 shall be awarded to a history museum located in a city with a population between 109,900 and 110,000 and in a county with a population greater than 1,750,000 according to the most recent federal decennial census for roof infrastructure.

(65) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be awarded to a nonprofit with a mission to provide year-round sports training and athletic competition for children and adults with intellectual disabilities headquartered in a city with a population between 21,500 and 22,000 and in a county with a population between 64,000 and 64,500 according to the most recent federal decennial census for the creation of a training and sports center located in a county with a population between 657,000 and 660,000 according to the most recent federal decennial census.

(66) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be allocated to a charter township with a population between 98,000 and 99,000 located in a county with a population greater than 1,750,000 according to the most recent federal decennial census for building renovations to house programming for youth with histories of trauma, substance use, and juvenile delinquency.

(67) From the funds appropriated in part 1 for community enhancement grants, the department shall allocate \$5,000,000.00 to a 501(c)(3) nonprofit corporation for a transformational, historical redevelopment and adaptive reuse of a bank building located in a city with a population between 43,500 and 45,000 according to the most recent federal decennial census.

(68) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit focused on enhancing the quality of life by planting trees, providing job training, and involving our youth in the education of the natural environment located in a city with a population greater than 600,000 according to the most recent federal decennial census for operational support and green infrastructure projects.

Sec. 1004. (1) From the funds appropriated in part 1 for convention and visitors bureau relief, \$10,000,000.00 shall be awarded to a statewide nonprofit organization representing convention and visitors bureaus in this state to provide grants to all convention and visitors bureaus for promoting hospitality, tourism, and travel.

(2) The statewide nonprofit organization representing convention and visitors bureaus in this state must develop a method of allocating 100% of the available funds to each convention and visitors bureau based on each convention and visitors bureau's size relative to the size of all convention and visitors bureaus.

(3) Program guidelines and rules for administering the program and awarding grants must be developed by the statewide nonprofit organization representing convention and visitors bureaus in this state and be made available on a publicly accessible internet site.

(4) Not more than 1% of the funds appropriated in part 1 for convention and visitors bureau relief may be used by the statewide nonprofit organization representing convention and visitors bureaus in this state for administrative costs related to this section.

(5) The Michigan strategic fund must ensure that the statewide nonprofit organization representing convention and visitors bureaus in this state submits a report that includes, but is not limited to, the amount awarded to each convention and visitors bureau and a detailed plan for the use of the funds by the grantee. The report must be submitted to the Michigan strategic fund not later than September 30 of the current fiscal year.

(6) As used in this section, "convention and visitors bureau" means an entity that receives funds under any of the following acts:

- (a) 1974 PA 263, MCL 141.861 to 141.867.
- (b) Convention and tourism marketing act, 1980 PA 383, MCL 141.881 to 141.889.
- (c) Community convention or tourism marketing act, 1980 PA 395, MCL 141.871 to 141.880.
- (d) State convention facility development act, 1985 PA 106, MCL 207.621 to 207.640.
- (e) Regional tourism marketing act, 1989 PA 244, MCL 141.891 to 141.900.
- (f) Regional convention and tourism promotion act, 2010 PA 254, MCL 141.1431 to 141.1437.
- (g) Convention and tourism promotion act, 2007 PA 25, MCL 141.1321 to 141.1328.

Sec. 1005. The funds appropriated in part 1 for digital workforce development shall be used to provide a single digital platform for career exploration and skill development that will connect prospective employees with interested employers. This digital platform shall be made available to intermediate school districts in this state and the employer community in this state as well as the broader public. The department shall use existing career centric resources such as Michigan Works!, when possible. This digital platform may include, but is not limited to, the following:

(a) A library of virtual reality content curated to meet education, career, and life skill development and science, technology, engineering, arts, and mathematics teaching objectives.

(b) Career exploration tools that allow students to analyze their skills and interests, discover related occupations, access information about those occupations, and explore career options through virtual career fairs.

(c) A tool to connect employers with students who are participating in career and technical education high school training programs, trade schools, community colleges, certificate programs, and credential bootcamps.

Sec. 1006. (1) From the funds appropriated in part 1 for economic development grants, the department shall allocate \$240,000.00 to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census to reform and repurpose vacant parking lots, including the construction of a green stormwater rain garden, providing area stormwater runoff protection, flood prevention, reduced water costs, and increased parking availability.

(2) From the funds appropriated in part 1 for economic development grants, the department shall allocate \$500,000.00 to a nonprofit business investment firm in a city with a population greater than 600,000 according to the most recent federal decennial census to support small business and venture capitalist initiatives.

(3) From the funds appropriated in part 1 for economic development grants, the department shall allocate \$2,500,000.00 to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census to support a north end housing and business development project.

(4) From the funds appropriated in part 1 for economic development grants, the department shall allocate \$10,000,000.00 to a nonprofit community foundation in a city with a population between 20,000 and 21,000 in a county with a population between 99,000 and 100,000 according to the most recent federal decennial census for a workforce development center.

(5) From the funds appropriated in part 1 for economic development grants, \$500,000.00 shall be provided to the department of education to enter into a contract with a research organization to study, analyze, and report suggested improvements regarding the efficacy and efficiency of educational governance in this state, including federal, state, intermediate school districts, local school districts, and public school academies.

(6) From the funds appropriated in part 1 for economic development grants, \$12,000,000.00 shall be awarded to a 501(c)(3) nonprofit organization dedicated to fostering community and economic development in the Midtown and New Center areas of Detroit through collaboration and partnership with local stakeholders that is located in a city with a population greater than 600,000 according to the most recent federal decennial census for infrastructure related to a planning initiative master plan.

(7) From the funds appropriated in part 1 for economic development grants, \$6,000,000.00 shall be awarded to a United States Treasury-certified community development financial institution that supports real estate and business projects that struggle to find traditional financing and that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to support a mixed use development that will include senior and workforce housing located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(8) From the funds appropriated in part 1 for economic development grants, \$5,000,000.00 shall be awarded to a brownfield redevelopment authority located in a city with a population greater than 600,000 according to the most recent decennial census to support the redevelopment of a former auto body plant into a mixed use development.

(9) From the funds appropriated in part 1 for economic development grants, \$5,000,000.00 shall be awarded to an entertainment and public facilities authority for a city convention center located in a city with a population between 112,600 and 112,700 according to the most recent federal decennial census for renovations, improvements, and enhanced technology.

(10) From the funds appropriated in part 1 for economic development grants, \$10,000,000.00 shall be awarded to a nonprofit established in 2018 that manages operations and stewards a college campus located in a city with a population greater than 600,000 according to the most recent federal decennial census for a development project.

(11) From the funds appropriated in part 1 for economic development grants, \$8,000,000.00 shall be allocated to a 501(c)(6) nonprofit entity that meets all of the following criteria:

(a) Operates an auto show in a county with a population of more than 1,750,000 and in a city with a population of more than 600,000 according to the most recent federal decennial census.

(b) Operates an auto show that lasts a duration of at least 10 days.

(c) Has a charity component benefiting at least 3 charities in this state.

(12) From the funds appropriated in part 1 for economic development grants, \$3,000,000.00 shall be awarded to a city with a population of between 134,000 and 134,500 located in a county with a population of between 880,000 and 885,000 according to the most recent federal decennial census for the elimination of blight through either acquisition or demolition in relation to the redevelopment of a shopping center.

(13) From the funds appropriated in part 1 for economic development grants, \$2,000,000.00 shall be allocated to the local convention and visitor bureau of a city with a population greater than 600,000 to support the costs of hosting 2 national annual conventions in the city in August of the current fiscal year for 2 associations of the National Guard of the United States.

(14) From the funds appropriated in part 1 for economic development grants, \$1,500,000.00 shall be awarded to a nonprofit organization that provides leadership and education that will cultivate the growth of freemasonry in this state located in a city with a population greater than 600,000 according to the most recent federal decennial census for building renovations, including acquisition, planning, design, construction, repair, renovation, site improvement, and capital equipping.

Sec. 1007. (1) From the funds appropriated in part 1 for fire gear equipment grants, the department shall distribute funding to local units of government that have all of the following:

(a) A fully paid fire department of an airport operated by a county, public airport authority, or state university or college.

(b) A member of a fully paid fire or police department of a city, township, or village employed and compensated on a full-time basis.

(c) A member of a fully paid public fire authority employed and compensated on a full-time basis.

(2) The unexpended funds appropriated in part 1 for fire gear equipment grants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assist full-time fire departments with purchasing a second set of turnout gear for firefighters. A grant that is provided shall not exceed \$3,500.00 per full-time member of the department.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.

(c) The estimated cost of the project is \$15,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1008. From the funds appropriated in part 1 for Focus: HOPE, \$1,000,000.00 shall be awarded to Focus: HOPE for education and workforce development programming, early childhood education, youth development, food assistance, or community empowerment and advocacy.

Sec. 1009. From the funds appropriated in part 1 for habitat for humanity, \$10,000,000.00 shall be awarded to a statewide nonprofit specializing in eliminating poverty housing and advocating for safe and affordable housing located in a charter township with a population of between 33,000 and 33,500 and in a county with a population of between 109,000 and 110,000 according to the most recent federal decennial census for a statewide home ownership program.

Sec. 1010. (1) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$500,000.00 to a nonprofit organization focused on post-secondary access and success for youth with experience in foster care and homelessness and that oversees a statewide initiative to build a formal network of supports to increase post-secondary outcomes for at-risk youth.

(2) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$2,000,000.00 to a township with a population between 49,000 and 50,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to supplement the development or improvements of a recreation and wellness center.

(3) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$1,500,000.00 to a county with a population between 66,600 and 66,700 according to the most recent federal decennial census for completion of a federally qualified health care center.

(4) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$10,000,000.00 to the department of health and human services for the purpose of establishing a grant program to address disparities in health and social services provided to the lesbian, gay, bisexual, transgender, and questioning community. Grants may be awarded to nonprofit organizations, local governments, and community partners for a wide variety of services, including, but not limited to, health services, social services, housing services, insurance navigation, name change navigation, advocacy, infrastructure, and legal services.

(5) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$800,000.00 to a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for the purpose of constructing, renovating, or otherwise establishing a warming center for the unsheltered.

(6) From the funds appropriated in part 1 for healthcare grants, the department shall allocate \$6,000,000.00 to a nonprofit organization in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census to expand child and family services in the areas of prevention and treatment services.

(7) From the funds appropriated in part 1 for healthcare grants, \$20,000,000.00 shall be awarded to a nonprofit health system that is redeveloping its campus in a city with a population greater than 600,000 according to the most recent federal decennial census.

(8) From the funds appropriated in part 1 for healthcare grants, \$10,000,000.00 must be awarded to a voluntary employee's beneficiary association located in a city with a population greater than 600,000 according to the most recent federal decennial census that was formed during the city's bankruptcy. The funds shall be used to provide association members funding for benefits that were reduced because of the city's bankruptcy.

(9) From the funds appropriated in part 1 for healthcare grants, \$30,300,000.00 shall be awarded to a city with a population of between 44,000 and 44,500 located in a county with a population of between 190,000 and 190,500 according to the most recent federal decennial census for critical infrastructure investment associated with a medical mixed use development.

(10) From the funds appropriated in part 1 for healthcare grants, \$5,000,000.00 shall be awarded to a children's hospital located in a city with a population greater than 600,000 according to the most recent federal decennial census as a COVID-19 relief and recovery grant to support hospital operations.

(11) From the funds appropriated in part 1 for healthcare grants, \$5,000,000.00 shall be awarded to a 501(c)(3) nonprofit corporation specializing in physical fitness, health, and sport located in a city with a population between 112,500 and 112,700 according to the most recent federal decennial census to help administer a program serving underserved rural and urban areas, including scans, virtual cardiac consultations, and educational awareness campaigns for some of this state's most vulnerable populations and the construction or renovation of facilities and the creation of jobs. Grant funds may be used or administered by a third party. Grant funds may be used to support staff, professional services, evaluation, assessment, technology, meetings, equipment, infrastructure, training, travel, materials, and other administrative expenses in support of the program. Grant funds may be used as matching dollars to qualify for federal and private resources to support physical health education and related programming.

Sec. 1011. (1) Funds appropriated in part 1 for high speed rail grants shall be allocated for transformational projects. The department shall grant funds to the department of transportation for allocation to local governments, public authorities, or other governmental entities authorized in this state.

(2) The department and the department of transportation shall only allocate funds from part 1 for high speed rail grants for projects consistent with all of the following:

(a) Projects must support new or expand existing high-speed rail or rapid transit bus service in this state.

(b) Projects are part of a regional transportation plan or partnership between more than one municipality that will enable or expand high-speed rail or rapid transit bus service.

(c) Recipients must demonstrate a match from another fund source and provide a plan for financial viability to sustain projects that are funded under the plan.

(3) Before the allocation of funds under this section, the department and the department of transportation shall seek to leverage other local, state, or federal funds to maximize the transformational nature of high-speed rail or rapid transit bus projects.

(4) The department may retain not more than 2% from part 1 for high speed rail grants for the administration of funds, and must share that funding with the department of transportation proportionate to the work done by each department.

(5) Not later than September 30, the department and the department of transportation shall provide a report to the house and senate appropriations committee on the status of funds allocated under this section and actions taken to leverage other sources of funds to support high speed rail or rapid bus transit service.

(6) The unexpended funds appropriated in part 1 for high speed rail grants are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is for supporting transformational high-speed rail or rapid transit bus service projects.

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

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

(d) The tentative completion date is September 30, 2028.

Sec. 1012. (1) From the funds appropriated in part 1 for housing grants, the department shall allocate \$500,000.00 to a nonprofit organization in a city with a population between 9,000 and 10,000 in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census to provide homeless outreach and domestic violence services.

(2) From the funds appropriated in part 1 for housing grants, the department shall allocate \$5,000,000.00 to a city with a population between 15,000 and 16,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census for a downtown development project that will support workforce housing.

(3) From the funds appropriated in part 1 for housing grants, the department shall allocate \$18,000,000.00 to a development firm founded in 1988 and located in a city with a population between 36,000 and 39,000 and in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census for the rehabilitation of a historic manufacturing site to support housing.

(4) From the funds appropriated in part 1 for housing grants, \$5,000,000.00 shall be awarded for the conversion of a transient facility to affordable housing located in a city with a population of between 76,500 and 77,000 located in a county with a population of between 1,000,000 and 1,300,000 according to the most recent federal decennial census.

(5) From the funds appropriated in part 1 for housing grants, \$1,000,000.00 shall be awarded to a nonprofit, community-based organization supporting the preservation and revitalization of the Grandmont Rosedale neighborhoods of Detroit for capital support for a mixed use senior housing and restaurant space.

(6) From the funds appropriated in part 1 for housing grants, \$450,000.00 shall be awarded to a 501(c)(3) nonprofit corporation with a mission to stabilize, revitalize, and rebuild Detroit neighborhoods located in a city with a population greater than 600,000 according to the most recent federal decennial census to support development and construction of a tiny house community in a city with a population greater than 600,000 according to the most recent federal decennial census.

(7) From the funds appropriated in part 1 for housing grants, \$300,000.00 shall be awarded to a nonprofit organization formed in 2018 whose mission statement is to build awareness, influence policy, and expand capacity so communities can create housing solutions that meet their unique needs and that has a headquarters located in a city with a population between 15,600 and 15,680 according to the most recent federal decennial census for a regional housing fund to supplement existing programs to help provide affordable housing.

(8) From the funds appropriated in part 1 for housing grants, \$7,000,000.00 shall be awarded to a domestic nonprofit corporation located in a city with a population greater than 600,000 according to the most recent federal decennial census with a mission to provide meals, supportive services, and housing assistance to Detroit community members in need, especially those experiencing homelessness, to support a housing project.

(9) From the funds appropriated in part 1 for housing grants, \$1,000,000.00 shall be awarded to a joint partnership consisting of a 501(c)(3) nonprofit corporation with a mission to stabilize, revitalize, and rebuild Detroit neighborhoods located in a city with a population greater than 600,000 according to the most recent federal decennial census and a nonprofit affordable housing developer to support the development of an affordable housing project.

(10) From the funds appropriated in part 1 for housing grants, \$800,000.00 shall be awarded to a housing commission in a city with a population between 120,000 and 125,000 according to the most recent federal decennial census for apartment renovations and HVAC upgrades.

(11) From the funds appropriated in part 1 for housing grants, the department shall allocate \$200,000.00 to a housing commission in a city with a population between 15,000 and 25,000 in a county with a population between 300,000 and 400,000 according to the most recent federal decennial census for creation of a space or facility for resident youth to gather for programming, recreation, and other purposes.

Sec. 1013. (1) From the funds appropriated in part 1 for transformational housing projects, the department shall allocate funds to a municipality with a population between 106,000 and 108,000 in a county with a population more than 280,000 and less than 290,000 according to the most recent federal decennial census for redevelopment projects under this section. Redevelopment projects include the direct eligible costs of creating affordable housing units or completing other corridor improvements.

(2) Funds awarded to the applicant under this section shall be used for projects within the city, including, but not limited to, a downtown corridor, central business district, or another corridor with an established improvement authority. The applicant may subgrant funds to qualified contractors or vendors for direct eligible costs in subsection (4).

(3) Consistent with subsection (1), funds must support direct eligible costs of redevelopment projects that will increase new affordable or workforce housing units or implement corridor improvement activities that include any of the following:

(a) The redevelopment of existing blighted or distressed commercial properties.

(b) Enhanced connections to adjacent residential districts that will improve walkability, increase recreational opportunities, create new greenspace, or support placemaking.

(c) Creation of small business or nonprofit opportunities within the corridor, including partnerships with community anchor institutions.

(4) Funds allocated under this section shall support the direct eligible costs for redevelopment projects, including any of the following:

(a) Property acquisition.

(b) Construction, renovations, or commercial space conversion.

(c) Blight removal.

(d) Environmental remediation activities.

(e) Gap financing necessary to complete a project.

(f) Consulting for planning, design, construction, architectural, or engineering.

(g) Other municipal infrastructure improvements directly related to a project.

(5) The department may require submission of redevelopment projects supporting documentation to ensure compliance with this section and all applicable laws, including, but not limited to, any of the following:

(a) The project scope, budget, and schedule, for each redevelopment project.

(b) Market studies or research to demonstrate the viability or need of the project, including demonstration of necessary financing as applicable.

(c) Demonstration of a competitive bidding process and public support, as applicable.

(d) Other documentation such as plan designs or engineering documents, or environmental and economic impact.

(6) To the greatest extent possible, the department shall make funding available no later than December 31, 2023.

(7) The unexpended funds appropriated in part 1 for transformational housing projects are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to support costs of projects that will expand affordable housing or the redevelopment of corridors.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.

(c) The estimated cost of the project is \$40,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1014. (1) The funds appropriated in part 1 for Michigan community development financial institutions fund grants are transferred to the Michigan community development financial institutions fund, which is created by this section. All funding in the Michigan community development financial institutions fund, including funding unallocated from prior years, is appropriated for grants to eligible community development financial institutions under this section and related expenditures permitted under this section. The legislature finds and declares that the appropriation described in this section is for a public purpose, including promoting community economic revitalization and community development through community development financial institutions.

(2) By October 31, 2023, the Michigan strategic fund shall develop a grant application consistent with this section that is published and available on its publicly accessible website.

(3) The application required under subsection (2) must include all of the following:

(a) The name of the community development financial institution applying for a grant from the CDFI fund.

(b) The location of the principal office of the applicant.

(c) Documentation indicating whether the applicant is a Michigan CDFI or a multistate CDFI.

(d) An indication of whether the applicant is or is not a depository institution.

(e) The amount of the grant sought, not exceeding the maximum eligible amount of the grant under subsections (4) to (6).

(f) If the community development financial institution is a depository institution, the net assets of the depository institution.

(g) If the community development financial institution is not a depository institution, the amount of qualifying commitments made by the community development financial institution during the 3 applicant fiscal years preceding the fiscal year in which the application is submitted.

(h) A description of the amount an applicant is eligible to apply for under subsections (4) to (6).

(i) A description of the proposed use of the grant award by the applicant for eligible activities consistent with the requirements of this chapter, the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 12 USC 4719, and any other requirements applicable under federal law.

(j) Documentation of the applicant's certification as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703. The documentation required by this subdivision may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(k) A statement that the applicant is in compliance with all requirements applicable to the applicant under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(4) A community development financial institution that is a depository institution is eligible for a grant award in the following amount:

(a) Up to \$253,000.00 if the depository institution has total net assets of less than \$500,000,000.00.

(b) Up to \$380,000.00 if the depository institution has total net assets of \$500,000,000.00 to \$999,999,999.99.

(c) Up to \$507,000.00 if the depository institution has total net assets of \$1,000,000,000.00 to \$1,999,999,999.99.

(d) Up to \$633,000.00 if the depository institution has total net assets of \$2,000,000,000.00 or more.

(5) Except as otherwise provided in subsection (6), a community development financial institution that is not a depository institution is eligible for a grant award in the following amount:

(a) Up to \$127,000.00 if the community development financial institution made qualifying commitments in an amount that averaged less than \$1,000,000.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(b) Up to \$380,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$1,000,000.00 to \$3,999,999.99 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(c) Up to \$633,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$4,000,000.00 to \$5,999,999.99 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(d) Up to \$887,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$6,000,000.00 to \$9,999,999.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(e) Up to \$1,013,333.00 if the community development financial institution made qualifying commitments in an amount that averaged at least \$10,000,000.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(6) A grant to a multistate CDFI that is not a depository institution under subsection (5) must not exceed \$633,000.00.

(7) The Michigan strategic fund shall accept applications for a grant under this section until November 30, 2023. The Michigan strategic fund shall approve or deny a grant application within 49 days after the receipt of an administratively complete application as determined by the Michigan strategic fund. If the application complies with the requirements of this section, the Michigan strategic fund shall approve the award of the grant in the amount requested by the applicant. The Michigan strategic fund may deny a grant application submitted under this section only for the following reasons:

(a) The applicant does not satisfy all of the requirements described in this section.

(b) Subject to subsection (9), there is insufficient money in the CDFI fund to pay the grant amount requested.

(c) The applicant is not in compliance with applicable requirements under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(8) If the Michigan strategic fund denies an application under subsection (7), the applicant may provide additional information to the Michigan strategic fund within 7 days after the notice of denial. The Michigan strategic fund shall review and reconsider the application and additional information within 28 days after the applicant provides additional information.

(9) If there is an insufficient amount of money in the CDFI fund to pay the grants approved, the amount of each grant shall be reduced proportionately by the Michigan strategic fund based upon the amount of money available in the CDFI fund. If the amount of money available to pay grants approved for a round of

grant applications exceeds the amount needed to pay the grant awards, the Michigan strategic fund may increase each grant awarded in that round in an amount proportionate to the total of all grant awards for that round.

(10) Upon approval of an application, the Michigan strategic fund and the applicant shall sign a written grant agreement providing the terms of the grant agreement. A grant agreement must include all of the following:

(a) A requirement that at least 80% of the grant award be used for financial products and financial services or expenditures of money or commitments to expend money to reduce the interest rate otherwise applicable under a loan agreement or funding agreement.

(b) A restriction that no more than 10% of the grant award be used for technical assistance activities described in 12 CFR 1805.303.

(c) A restriction that no more than 10% of the grant award be used for administration and operations.

(d) A requirement that a grant award be committed under a loan agreement or funding agreement or disbursed by the recipient within 3 years after the date that the recipient receives the grant award.

(e) A requirement that the entire amount of the grant award be expended within this state.

(f) A requirement that the grant award recipient maintain its certification as a community development financial institution under 12 CFR 1805.201 while the grant agreement is in effect.

(g) A requirement that the grant award recipient comply with all requirements applicable under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719, while the agreement is in effect.

(h) Provisions authorizing the Michigan strategic fund to enforce the terms of the grant agreement, including a requirement that a noncompliant recipient of a grant award may be required to repay the portion of the award not committed by the recipient pursuant to a permitted loan, program, or agreement. Money repaid under this subdivision must be deposited in the CDFI fund.

(i) A requirement for the grant award recipient to report on activities consistent with the requirements of subsection (14).

(j) If the grant agreement includes a grant of federal money, the grant agreement must require the recipient to comply with any requirements applicable to the use of the federal money.

(11) A grant agreement may provide for the community development financial institution that is the recipient of a grant award to serve as an intermediary lender to another community development financial institution consistent with the purposes of this section if not prohibited by federal law applicable to the expenditure of any federal grant money.

(12) If not prohibited by federal law applicable to the expenditure of any federal grant money, a grant agreement must permit a grant award recipient to assign the award to an affiliate and for the affiliate to assume the obligations of the grant award recipient if the affiliate satisfies all of the following:

(a) Is a community development financial institution.

(b) Is organized in the same manner as the grant award recipient.

(c) Is controlled by the grant award recipient in 1 or both of the following ways:

(i) The grant award recipient owns a majority of the stock of the affiliate.

(ii) A majority of the members of the board of the affiliate also are members of the board of the grant award recipient.

(13) Except as otherwise provided in subsection (14), the Michigan strategic fund shall require the recipient of a grant award under this chapter to report annually to the Michigan strategic fund regarding its activities under this section beginning on the May 1 following the applicant fiscal year in which the grant award was received by the recipient. The Michigan strategic fund shall publish on its website a standard form for the report. Except as otherwise provided in subsection (14), the report must include all of the following information:

(a) A copy of the recipient's most recent confirmation of recertification as a community development financial institution issued by the community development financial institutions fund under 12 CFR 1805.201, which may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(b) A list of financial products and services provided during the prior applicant fiscal year that includes all of the following:

(i) The name of each transaction.

(ii) A transition tracking number for each transaction.

(iii) The date of each transaction.

(iv) The amount of each transaction.

(v) The total project cost for each transaction if other funding was involved.

(vi) The physical address of the borrower or customer for each transaction.

(vii) The census tract of the borrower or customer for each transaction.

(viii) An indication of whether the census tract in which the transaction is located is an eligible investment area.

(ix) A description of the projected economic impact of the transaction.

(x) A description of any financial products or financial services provided.

(c) A description of technical assistance provided during the prior applicant fiscal year.

(d) A summary of expenditures for administration and operations provided during the prior applicant fiscal year that includes all of the following:

(i) A description of administration and operations costs incurred.

(ii) Professional fees and expenses incurred.

(iii) A summary of any other eligible expenses for administration and operation.

(14) A grant award recipient is not required to provide a report under this section for any applicant fiscal year in which it did not loan or otherwise commit or disburse grant award money. The Michigan strategic fund shall not include information in the report required under subsection (13) if information that otherwise would be included in a report under subsection (13) is either of the following:

(a) Exempt from disclosure or confidential as proprietary business or financial information under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(b) Exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(15) Except as otherwise provided in subsection (3), the Michigan strategic fund may expend up to 4% of the appropriation provided from the CDFI fund for the costs it incurs in administering the programs and activities in this section.

(16) The unexpended portion of money for the Michigan community development financial institution fund grants is designated as a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. Any unencumbered or unallotted money shall not lapse at the end of the fiscal year and shall be available for grant awards or other expenditures under this section for the project until the project has been completed. The following apply to the work project:

(a) The purpose of the project is to provide grants to eligible community development financial institutions under this section.

(b) All grants will be distributed in accordance with this section and the grant guidelines as part of the application process and grant agreements between the Michigan strategic fund and grant recipients.

(c) The estimated cost of the work project is up to \$19,000,000.00.

(d) The tentative completion date for the work project is September 30, 2028.

(17) As used in this section:

(a) "CDFI fund" means the Michigan community development financial institutions fund created in subsection (1).

(b) "Community development financial institution" means that term as defined in section 103 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4702, but is limited to a community development financial institution that satisfies all of the following:

(i) Is an entity that meets the eligibility requirements described in 12 CFR 1805.200.

(ii) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703.

(iii) Maintains 1 or more physical offices within this state.

(iv) Employs 2 or more individuals at a physical office within this state, including employees of an affiliate of the community development financial institution that provides services to the community development financial institution.

(v) Is a Michigan CDFI or a multistate CDFI.

(c) "Depository institution" means any of the following:

(i) A bank as that term is defined in section 3(a) of the federal deposit insurance act, 12 USC 1813(a).

(ii) A savings association as that term is defined in section 3(b) of the federal deposit insurance act, 12 USC 1813(b).

(iii) A credit union as that term is defined in section 102 of the credit union act, 2003 PA 215, MCL 490.102.

(iv) A depository institution holding company as that term is defined in 12 CFR 1805.104.

(d) "Eligible activities" means activities described in 12 CFR 1805.301, and includes credit enhancements, loan loss reserves, equity investments, expenditures of money or commitments to expend money to reduce the interest rate otherwise applicable under a loan agreement or funding agreement, and grants related to these activities.

(e) "Federal fund" means the federal community development financial institutions fund within the United States department of treasury.

(f) "Financial products" means that term as defined in 12 CFR 1805.104.

(g) "Financial services" means that term as defined in 12 CFR 1805.104.

(h) "Michigan CDFI" means a community development financial institution that satisfies all of the following:

(i) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703.

(ii) Is headquartered at an address in this state, as recognized by the federal fund.

(iii) Has a target market that includes this state, as recognized by the federal fund.

(iv) Serves 1 or more targeted populations located within this state.

(i) "Multistate CDFI" means a community development financial institution that is not a Michigan CDFI but is a community development financial institution that committed under a loan agreement or other funding agreement at least \$10,000,000.00 in financial products and financial services to a target market within this state under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719, during the 5 applicant fiscal years preceding the applicant fiscal year in which an application for a grant is submitted.

(j) "Qualifying commitment" means funding committed by a community development financial institution under a loan agreement or other funding agreement in target markets or targeted populations in this state that is either of the following:

(i) Financial products or financial services committed under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(ii) An additional credit enhancement, loan loss reserve, or equity investment committed by the community development financial institution or an affiliate of the community development financial institution.

(k) "Target market" means that term as defined in 12 CFR 1805.104

(l) "Targeted population" means that term as defined in 12 CFR 1805.104.

Sec. 1015. (1) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$1,000,000.00 to a housing commission in a county with a population between 160,300 and 160,370 according to the most recent federal decennial census to support affordable housing projects and housing services to residents.

(2) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$1,000,000.00 to a 501(c)(3) nonprofit organization located in a city with a population between 36,000 and 39,000 according to the most recent federal decennial census for the renovation and preservation of a historic building built in 1889 that was recently owned by the local public school system.

(3) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit that operates a program that satisfies all of the following conditions:

(a) The program provides services to parolees and probationers assessed by the department of corrections as moderate- or high-risk to recidivate.

(b) The program provides job readiness training, transitional employment, job coaching and placement, and postplacement retention services. As part of the transitional employment program phase, the nonprofit program shall provide low-skill, crew-based services to other state agencies.

(c) The program has been independently and rigorously evaluated and shown to reduce recidivism.

(d) The program demonstrates an ability to serve multiple jurisdictions across this state.

(4) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$200,000.00 to a women's mentoring and scholarship program that is headquartered in a county with a population between 1,000,000 and 1,500,000 according to the most recent federal decennial census.

(5) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$500,000.00 to a youth engagement and adult re-engagement nonprofit center in a city with a population greater than 600,000 according to the most recent federal decennial census.

(6) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$300,000.00 to an entity developing an initiative based on the United States Department of Labor YouthBuild model that will serve emancipated youth and emerging adults ages 16 to 24 that have vulnerable circumstances preventing them from engaging in education, professional training, and ultimately living wage employment opportunities, and that is located in a township with a population between 1,808 and 1,810 in a county with a population between 132,000 and 135,000 according to the most recent federal decennial census for a youth career development program.

Sec. 1016. From the funds appropriated in part 1 for Michigan nurse scholarship, the department shall allocate \$3,000,000.00 to a statewide nonprofit foundation to support a scholarship program for nursing students or existing nurses seeking advanced degrees or certifications in this state. Funds allocated may also be used to provide wrap around supports to participating students or nurses.

Sec. 1017. (1) From the funds appropriated in part 1 for minority owned business support, the department shall award grants to minority-owned businesses or nonprofit business organizations to implement small business development initiatives for minority-owned businesses in this state.

(2) Funds awarded to nonprofit business organizations may be used for activities that support or develop small businesses, including but not limited to technical assistance, grants, incubation, access to capital or other financing opportunities.

(3) Subject to any existing regulations, the department may award direct grants to eligible small businesses in this state. The department shall ensure any direct business grants have clear metrics to grow small business or job creation.

(4) The department shall seek opportunities to award funds in a geographically diverse manner for any eligible activities under this section.

(5) Consistent with the requirements of this section, funds shall be allocated subject to the following:

(a) The department shall seek to award not less than 25% of funds in part 1 to support small businesses in alternative energy sectors, including electric vehicles. For purposes of this section, electric vehicles also include the development of Michigan-based small businesses that manufacture, deploy, or design the charging infrastructure or equipment that will support electric vehicles.

(b) \$500,000.00 shall be awarded to a nonprofit economic development organization located in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for a business accelerator program and other activities in subsection (2).

(c) \$500,000.00 shall be awarded to a nonprofit business alliance located in a city with a population over 600,000 according to the most recent federal decennial census that operates at least entrepreneur capital connect and technical assistance programs.

(6) The department shall issue a report to the house and senate appropriations committees, and post on their website not later than September 30 of each year, until funds have been expended. At a minimum, the report shall identify the number of awards granted, the amount of each award, the recipient and purpose, and any recommendations to improve the future distribution of funds to eligible entities under this section.

(7) The department may retain not more than 2% to administer this section or to promote the availability of funds.

(8) The unexpended funds appropriated in part 1 for Statewide Minority Business and Entrepreneurial Support Initiatives are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to implement Statewide Minority Business and Entrepreneurial Support Initiatives.

(b) The project will be accomplished by utilizing state employees, the Michigan economic development corporation, or contracts.

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1018. From the funds appropriated for new Michigander support, \$3,000,000.00 shall be awarded to a nonprofit organization that provides support for foreign-born non-citizens in this state focused on equity and belonging for immigrant communities in this state. The nonprofit should consult with existing relevant resources in the department such as the office of global Michigan and the Michigan state housing development authority. The funds shall be used to provide legal services, housing supports, staffing, and outreach to foreign-born non-citizens in this state.

Sec. 1019. (1) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$500,000.00 to a city with a population between 28,500 and 29,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to bury utility lines.

(2) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$5,000,000.00 to a city with a population between 61,000 and 62,000 according to the most recent federal decennial census to support a downtown initiative.

(3) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$15,000,000.00 to a city with a population between 42,000 and 43,000 in a county with a population between 83,000 and 84,000 according to the most recent federal decennial census for a water infrastructure project.

(4) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$100,000.00 to a city with a population between 6,000 and 7,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for a dedicated pedestrian street crossing.

(5) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,100,000.00 to a nonprofit park civic association in a city with a population greater than 600,000 according to the most recent federal decennial census for infrastructure repairs and upgrades.

(6) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$3,500,000.00 to a county road commission in a county with a population between 78,000 and 80,000 according to the most recent federal decennial census for roadway and highway improvements.

(7) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,900,000.00 to a city with a population between 10,000 and 11,000 in a county with a population between 28,000 and 29,000 according to the most recent federal decennial census for a port expansion project.

(8) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$700,000.00 to a village with a population between 400 and 500 in a county with a population between 39,000 and 40,000 according to the most recent federal decennial census for dam repairs and a fish ladder.

(9) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$2,500,000.00 to a city with a population between 11,000 and 12,000 in a county with a population between 290,000 and 300,000 according to the most recent federal decennial census for environmental mitigation work around a former industrial site.

(10) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,100,000.00 to a village with a population between 3,000 and 4,000 in a county with a population between 75,000 and 76,000 according to the most recent federal decennial census for completion of a water dam project.

(11) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,200,000.00 to a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for the rehabilitation of a community pool.

(12) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$100,000.00 to a city with a population between 2,700 and 2,800 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for recreational water safety.

(13) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$6,000,000.00 to a city with a population between 190,000 and 200,000 according to the most recent federal decennial census for improvements to an existing park lodge to create a facility that is flexible, multi-use, fully accessible for all ages and abilities, safe, and energy efficient.

(14) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$2,000,000.00 to a nonprofit organization in a city with a population between 29,000 and 31,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for a regional resilience hub to serve as a dynamic campus where the nonprofit organization can expand current services in a modernized space.

(15) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$750,000.00 to a township with a population between 49,000 and 50,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for park improvements including, but not limited to, pathway improvements, playground improvements, tennis court improvements, and baseball field improvements.

(16) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,000,000.00 to a city with a population between 11,550 and 11,650 in a county with a population between 1,200,000 and 1,300,000, according to the most recent federal decennial census to supplement repairs to a museum structure that is at least 100 years old as of the date of this public act.

(17) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,000,000.00 to a city with a population greater than 600,000 according to the most recent federal decennial census for water infrastructure improvements that will support a flood protection project in a neighborhood designated as a flood plain.

(18) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$500,000.00 to a city with a population between 63,300 and 63,500 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for pavilion and playscape construction in a city park.

(19) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,000,000.00 to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census to implement a right to repurpose a school building into a community hub.

(20) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$2,000,000.00 to a township with a population between 8,000 and 8,500 in a county with a population between 160,375 and 160,400 according to the most recent federal decennial census for a sanitary collection water infrastructure project.

(21) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,700,000.00 to a nonprofit in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for construction of a riverfront musical performance venue.

(22) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$500,000.00 to a county with a population between 1,200,000 and 1,300,000, according to the most recent federal decennial census for improvements to county operations including, but not limited to, property acquisition, building renovations, blight removal, redevelopment of commercial and green spaces, streetmaking, placemaking, and development of safe parking options for county and state workers and residents.

(23) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$500,000.00 to a nonprofit community action agency in a city with a population between 30,000 and 32,000 in a county with a population between 160,300 and 160,370 according to the most recent federal decennial census to hire a construction manager and a housing specialist to hire contractors, provide outreach, and coordinate the replacement or repair of roofs, windows, and heating and cooling systems.

(24) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$250,000.00 to a village with a population between 1,300 and 1,400 in a county with a population between 160,300 and 160,370 according to the most recent federal decennial census to renovate a playground in a park within village limits.

(25) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$300,000.00 to a village with a population between 1,100 and 1,200 in a county with a population between 160,300 and 160,370 according to the most recent federal decennial census for sidewalk improvements and a pedestrian railway crossing.

(26) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,250,000.00 to a city with a population between 8,000 and 9,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census for parks and recreation infrastructure.

(27) From the funds appropriated in part 1 for public infrastructure grants, \$780,000.00 shall be awarded to a township with a population between 4,100 and 4,110 in a county with a population between 26,500 and 27,000 according to the most recent federal decennial census. Funding must be used for park development, improvements, and updates.

(28) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$2,200,000.00 to a county with a population between 17,950 and 18,000 according to the most recent federal decennial census for an emergency communications tower to improve emergency communications coverage.

(29) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$300,000.00 to a school district in a county with a population between 160,375 and 160,400 according to the most recent federal decennial census for school street crossing updates.

(30) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$5,000,000.00 to a nonprofit children's museum in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census to create new programming space.

(31) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$5,000,000.00 to a community hospital in a city with a population between 27,000 and 28,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for the purpose of the design and construction of a stormwater detention basin.

(32) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,800,000.00 to a city with a population between 2,600 and 2,700 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for infrastructure improvements to wastewater or drinking water.

(33) From the funds appropriated in part 1 for public infrastructure grants, \$6,000,000.00 shall be awarded to a city with a population of between 9,900 and 10,000 located in a county with a population of between 175,800 and 175,900 according to the most recent federal decennial census for a road construction and renovation project.

(34) From the funds appropriated in part 1 for public infrastructure grants, \$20,000,000.00 shall be awarded to a city with a population of between 76,500 and 76,600 located in a county with a population of between 657,000 and 658,000 according to the most recent federal decennial census for an infrastructure project.

(35) From the funds appropriated in part 1 for public infrastructure grants, \$14,000,000.00 shall be awarded to a zoo in a city with a population of between 198,900 and 199,000 and in a county with a population of between 657,000 and 658,000 according to the most recent federal decennial census to support zoo improvements and construction.

(36) From the funds appropriated in part 1 for public infrastructure grants, \$5,000,000.00 shall be awarded to a metropark located in a charter township with a population of between 24,300 and 24,400 and in a county with a population of between 880,000 and 882,000 according to the most recent federal decennial census for marina renovations.

(37) From the funds appropriated in part 1 for public infrastructure grants, \$4,000,000.00 shall be awarded to a county with a population of between 160,000 and 161,000 according to the most recent federal decennial census for repairs on 2 bridges.

(38) From the funds appropriated in part 1 for public infrastructure grants, \$4,000,000.00 shall be awarded to a city with a population of between 4,100 and 4,200 located in a county with a population of between 406,000 and 407,000 according to the most recent federal decennial census for water main infrastructure associated with the restoration of a former gristmill.

(39) From the funds appropriated in part 1 for public infrastructure grants, \$4,000,000.00 shall be awarded to a city with a population of between 76,600 and 76,700 located in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for local road repair projects.

(40) From the funds appropriated in part 1 for public infrastructure grants, \$3,500,000.00 shall be awarded to a charter township with a population of between 19,600 and 19,700 located in a county with a population of between 657,000 and 658,000 according to the most recent federal decennial census for an urban and suburban recreational pathway interlink project.

(41) From the funds appropriated in part 1 for public infrastructure grants, \$3,000,000.00 shall be awarded to a zoo located in a city with a population of between 58,200 and 58,300 and in a city with a population of between 6,300 and 6,400 according to the most recent federal decennial census for infrastructure upgrades.

(42) From the funds appropriated in part 1 for public infrastructure grants, \$2,200,000.00 shall be awarded to a charter township with a population of between 17,600 and 17,700 located in a county with a population of between 260,000 and 263,000 according to the most recent federal decennial census for a flooding infrastructure project.

(43) From the funds appropriated in part 1 for public infrastructure grants, \$1,900,000.00 shall be awarded to a county with a population of between 175,000 and 176,000 according to the most recent federal decennial census for roof replacement at the county-owned airport.

(44) From the funds appropriated in part 1 for public infrastructure grants, \$1,000,000.00 shall be awarded to a 501(c)(3) nonprofit organization located in a city with a population between 36,000 and 39,000 and in a county with a population of between 175,000 and 176,000 according to the most recent federal decennial census for the renovation and preservation of a historic building built in 1889 that was recently owned by the local public school system.

(45) From the funds appropriated in part 1 for public infrastructure grants, \$1,000,000.00 shall be awarded to a charter township with a population of between 100,000 and 101,000 located in a county with a population of between 880,000 and 882,000 according to the most recent federal decennial census for an inclusive playground.

(46) From the funds appropriated in part 1 for public infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population of between 5,200 and 5,300 located in a county with a population of between 880,000 and 882,000 according to the most recent federal decennial census for a park pavilion and pedestrian bridge.

(47) From the funds appropriated in part 1 for public infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population of between 134,000 and 135,000 located in a county with a population of between 880,000 and 882,000 according to the most recent federal decennial census for a recreational grant.

(48) From the funds appropriated in part 1 for public infrastructure grants, \$900,000.00 shall be awarded to a city with a population of between 87,000 and 87,500 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for a cricket field.

(49) From the funds appropriated in part 1 for public infrastructure grants, \$750,000.00 shall be awarded to a road commission located in a county with a population of between 406,000 and 407,000 according to the most recent federal decennial census to support repayment of costs associated with repairs to the dam gates and the actuator system that moves the dam gates.

(50) From the funds appropriated in part 1 for public infrastructure grants, \$600,000.00 shall be awarded to a city with a population of between 58,200 and 58,300 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for general maintenance on city parking structures, including, but not limited to, upgrades to lighting, EV charging infrastructure, and other structural repairs.

(51) From the funds appropriated in part 1 for public infrastructure grants, \$1,050,000.00 shall be awarded to a city with a population of between 198,000 and 200,000 located in a county with a population of between 657,000 and 660,000 according to the most recent federal decennial census to support the restoration and revitalization of a historic baseball field.

(52) From the funds appropriated in part 1 for public infrastructure grants, \$500,000.00 shall be awarded to a city with a population of between 2,700 and 2,800 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for bridge repairs and renovations.

(53) From the funds appropriated in part 1 for public infrastructure grants, \$500,000.00 shall be awarded to a city with a population of between 7,200 and 7,300 located in a county with a population greater than 1,500,000 according to the most recent decennial census for environmental remediation of contaminated soil at a park and residential water line replacement.

(54) From the funds appropriated in part 1 for public infrastructure grants, \$400,000.00 shall be awarded to a charter township with a population of between 14,000 and 15,000 located in a county with a population of between 154,000 and 155,000 according to the most recent federal decennial census for the installation of concrete paths, ADA compliant ramps, retaining walls, and drainage improvements.

(55) From the funds appropriated in part 1 for public infrastructure grants, \$750,000.00 shall be awarded to a village with a population of between 1,100 and 1,200 located in a county with a population of between 109,000 and 109,500 according to the most recent federal decennial census for the purchase of a building for village administration.

(56) From the funds appropriated in part 1 for public infrastructure grants, \$200,000.00 shall be awarded to a township with a population of between 2,400 and 2,500 located in a county with a population of between 154,300 and 154,400 according to the most recent federal decennial census to support a disc golf course at a park.

(57) From the funds appropriated in part 1 for public infrastructure grants, \$200,000.00 shall be awarded to a city with a population of between 15,400 and 15,600 located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for the development and construction of a pocket park in the city.

(58) From the funds appropriated in part 1 for public infrastructure grants, \$200,000.00 shall be awarded to a city with a population of between 9,300 and 9,400 located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for the replacement of a bandshell at a park.

(59) From the funds appropriated in part 1 for public infrastructure grants, \$200,000.00 shall be awarded to a city with a population of between 7,800 and 7,900 located in a county with a population of between 154,000 and 155,000 according to the most recent federal decennial census to explore the feasibility of nature-based alternatives to hardened shoreline armoring strategies, including beach nourishment using materials currently lost from the natural littoral drift system and redirecting natural littoral drift patterns to restore and protect the Great Lakes' shorelines and enhance public access.

(60) From the funds appropriated in part 1 for public infrastructure grants, \$200,000.00 shall be awarded to a city with a population of between 66,200 and 66,300 located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for a park splash pad.

(61) From the funds appropriated in part 1 for public infrastructure grants, \$100,000.00 shall be awarded to a district library located in a city with a population of between 14,900 and 15,000 and in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census for meeting pods.

(62) From the funds appropriated in part 1 for public infrastructure grants, \$80,000.00 shall be awarded to a state park located in a township with a population of between 31,500 and 32,000 and in a county with a population greater than 1,700,000 according to the most recent federal decennial census for facility upgrades.

(63) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$410,000.00 to a village with a population between 500 and 600 in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census for road project completion and storm water infrastructure.

(64) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$5,000,000.00 to a county with a population between 41,000 and 42,000 according to the most recent federal decennial census for road and roadway interchange infrastructure to support heavy truck traffic.

(65) From the funds appropriated in part 1 for public infrastructure grants, \$20,000,000.00 shall be allocated for an intermodal road and revitalization project in a commercial and entertainment district located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(66) From the funds appropriated in part 1 for public infrastructure grants, \$750,000.00 shall be awarded to a 501(c)(3) nonprofit corporation that empowers Burmese Americans through advocacy, community

engagement, and education located in a city with a population between 5,200 and 5,300 and in a county with a population between 134,000 and 135,000 according to the most recent federal decennial census for capital improvements, including parking lot pavement renovation, new pavement, and stormwater management.

(67) From the funds appropriated in part 1 for public infrastructure grants, \$10,000,000.00 shall be allocated for infrastructure development at an 800-acre site located on Five Mile Road in a county with a population greater than 1,750,000 according to the most recent federal decennial census.

(68) From the funds appropriated in part 1 for public infrastructure grants, \$3,000,000.00 shall be awarded to a city with a population between 3,700 and 3,800 located in a county with a population between 66,700 and 66,900 according to the most recent federal decennial census for necessary repairs to the city's wastewater treatment plant.

(69) From the funds appropriated in part 1 for public infrastructure grants, the department shall allocate \$1,000,000.00 to a city with a population between 120,000 and 125,000 according to the most recent federal decennial census for parks infrastructure and splash pad upgrades.

Sec. 1020. (1) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$7,500,000.00 to a township with a population between 27,000 and 28,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census for the renovation or rebuilding of the township fire station's women's facilities.

(2) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$3,000,000.00 to a city with a population between 80,000 and 85,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for infrastructure upgrades to the fire headquarters, including construction of an emergency operations center.

(3) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$750,000.00 to a city with a population between 11,550 and 11,650 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to supplement funding for fire truck replacement.

(4) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$500,000.00 to a city with a population between 9,300 and 9,350 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for a fire engine.

(5) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$800,000.00 to a city with a population between 27,000 and 28,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for fire station renovations.

(6) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$15,000,000.00 to a nonprofit security organization located in a charter township with a population between 44,000 and 45,000 and in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to implement community safety measures.

(7) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$10,000,000.00 to a city with a population between 63,000 and 63,300 in a county with a population greater than 1,700,000 according to the most recent federal decennial census for the purpose of new fire station construction or existing fire station rehabilitation.

(8) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$40,000,000.00 to a county with a population between 800,000 and 900,000 according to the most recent federal decennial census to reconstruct and retrofit existing county jail space, rehabilitate existing jail facilities, and construct a new central intake.

(9) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$35,000,000.00 to a city with a population between 195,000 and 200,000 according to the most recent federal decennial census for construction costs for new fire stations.

(10) From the funds appropriated in part 1 for public safety grants, the department shall allocate \$2,500,000.00 to the department of health and human services for the jail diversion fund created by section 207c of the mental health code, 1974 PA 258, MCL 330.1207c.

(11) From the funds appropriated in part 1 for public safety grants, \$7,000,000.00 shall be awarded to a charter township with a population of between 98,600 and 98,700 located in a county with a population greater than 1,750,000 according to the most recent federal decennial census to support the construction of a fire station.

(12) From the funds appropriated in part 1 for public safety grants, \$5,000,000.00 shall be awarded to a city with a population of between 109,900 and 110,000 located in a county with a population greater than 1,750,000 according to the most recent federal decennial census for fire station upgrades.

(13) From the funds appropriated in part 1 for public safety grants, \$7,000,000.00 shall be awarded to a city with a population between 85,400 and 85,500 located in a county with a population greater than 1,750,000 according to the most recent federal decennial census for fire station infrastructure improvements and emergency medical technician equipment.

(14) From the funds appropriated in part 1 for public safety grants, \$1,000,000.00 shall be awarded to a city with a population of between 1,500 and 1,600 located in a county with a population of between 109,000 and 110,000 according to the most recent federal decennial census to support fire department operations and equipment.

(15) From the funds appropriated in part 1 for public safety grants, \$500,000.00 shall be awarded to a city with a population between 15,600 and 15,700 located in a county with a population of between 880,000 and 882,000 according to the most recent federal decennial census to support the purchase of a fire truck.

(16) From the funds appropriated in part 1 for public safety grants, \$900,000.00 shall be awarded to a county sheriff's department located in a county with a population of between 109,000 and 109,500 according to the most recent federal decennial census for the purchase of equipment.

(17) From the funds appropriated in part 1 for public safety grants, \$200,000.00 shall be awarded to a county with a population of between 154,300 and 154,400 according to the most recent federal decennial census for a jail study.

(18) From the funds appropriated in part 1 for public safety grants, \$150,000.00 shall be awarded to a charter township with a population of between 5,800 and 6,000 located in a county with a population of between 66,000 and 66,100 according to the most recent federal decennial census for self-contained breathing apparatus equipment for the fire department.

(19) From the funds appropriated in part 1 for public safety grants, \$50,000.00 shall be awarded to a city with a population of between 9,300 and 9,400 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for a police vehicle.

(20) From the funds appropriated in part 1 for public safety grants, \$30,000,000.00 must be used in a county with a population greater than 1,500,000 and primarily in a city with a population greater than 600,000 according to the most recent federal decennial census to develop, construct, manage, and operate a freeway video feed system to aid law enforcement efforts against criminal activities and suspects. The freeway video feed system funded under this section is subject to all of the following constraints:

(a) The system shall be used for only legitimate law enforcement purposes in relation to violent or felony crimes.

(b) The system shall not use or facilitate the use of facial recognition technology.

(c) The system shall not be used in any way to enforce or monitor violations of traffic or other civil laws.

(d) The system's cameras shall be positioned to cover public spaces only and the use of any video or image from a private area not visible at street level is strictly prohibited.

(e) The system shall be utilized only by law enforcement agencies that have adopted policies, rules, or regulations that are consistent with this section and that include mandatory penalties for misuse.

(21) From the funds appropriated in part 1 for public safety grants, \$5,000,000.00 must be allocated to a district court located in a charter township with a population between 54,900 and 57,000 and a county with a population between 350,000 and 395,000 according to the most recent federal decennial census. Funding must be used for new construction or renovation of existing structures to facilitate security enhancements, public safety, accessibility, and efficiency of court operations. Improvements may include, but are not limited to, the following:

(a) Uniform security coverage.

(b) Site enhancements, approach, visuals, and separations.

(c) Swift lockdown capabilities.

(d) Increased separation in the circulation of the public, staff, and individuals in custody.

(e) Ballistic barriers.

(f) Enhanced and increased surveillance systems.

(g) Compliance with the Americans with disabilities act of 1990, Public Law 101-336.

(h) Improved interior environment.

(i) Additional functional space.

(j) Energy and operational efficiencies.

(22) From the funds appropriated in part 1 for public safety grants, \$1,800,000.00 shall be awarded to a city with a population between 15,000 and 16,000 located in a county with a population between 95,000 and 95,500 and in a county with a population of between 22,000 and 22,500 according to the most recent federal decennial census to support the purchase of an aerial ladder fire truck.

(23) From the funds appropriated in part 1 for public safety grants, \$2,750,000.00 shall be awarded to a city with a population between 81,000 and 81,500 located in a county with a population between 405,000 and 410,000 according to the most recent federal decennial census to support the partial replacement of the city's police cruiser fleet.

Sec. 1021. From the funds appropriated in part 1 for skilled trade grant program, \$28,000,000.00 shall be allocated by the department for skilled trade training programs as follows:

(a) \$8,000,000.00 shall be allocated to a nonprofit association chartered in 1912 that has training facilities statewide for skilled trades, with at least 1 training facility in each of this state's major cities, that are set up to train apprentices and journeymen alike and that has a headquarters located in a city with a population between 111,000 and 114,000 according to the most recent federal decennial census.

(b) \$8,000,000.00 shall be allocated to a nonprofit association that is committed to providing extensive training in state-of-the-art techniques, education, and equipment, offers 4-year apprentice programs to help members develop the trade skills they need to succeed, and has a headquarters located in a city with a population between 138,000 and 140,000 according to the most recent federal decennial census.

(c) \$4,000,000.00 shall be allocated to a nonprofit organization whose members are a skilled and experienced workforce trained to work safely in the construction and energy industries and that has a headquarters located in a township with a population between 32,000 and 33,150 according to the most recent federal decennial census.

(d) \$8,000,000.00 shall be allocated to a nonprofit organization chartered in 1906 that provides training for heavy equipment operators, technicians, and stationary engineers and has a headquarters located in a township with a population between 44,000 and 45,000 according to the most recent federal decennial census.

Sec. 1022. (1) From the funds appropriated in part 1 for sports infrastructure compliance, the department shall allocate funds to support capital improvement costs related to affiliate compliance requirements of a professional baseball organization. Grants allocated under this section shall be awarded to stadium facility owners that are associated with an affiliate of a professional baseball organization.

(2) The department shall allocate funds to support or reimburse costs of capital improvements at existing stadium facilities. Eligible costs include improvements to infrastructure, working conditions, upgraded playing surfaces, lighting or utilities, concessions, or other direct costs.

(3) The department shall limit individual awards to not more than \$1,500,000.00 per grant associated with a single professional sports affiliate.

(4) The department shall require necessary documentation from grant applicants to administer this section.

(5) The unexpended funds appropriated in part 1 for sports infrastructure compliance are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to support sports infrastructure compliance costs.

(b) The project will be accomplished through grants to professional sports team affiliates.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1023. (1) From the funds appropriated in part 1 for the talent investment pilot, the department shall develop guidelines, allocate funding, and coordinate with state agencies to implement this section. The goals of the neighborhood talent concentration pilot are to increase Michigan's population of young talent by creating high density, high amenity, walkable, vibrant street life neighborhoods or districts and to create business ownership opportunities for local residents.

(2) The department shall allocate funding for the neighborhood talent concentration pilot for three transformational public space development projects in central city neighborhoods or concentrated districts in Michigan cities with a population of 500,000 or more according to the most recent federal decennial census.

(3) Eligible applicants for a neighborhood talent concentration pilot grant shall be a consortium of entities that must include local governments, local economic development organizations, the nonprofit community, and the business community. Consortium applicants must appoint a nonprofit organization as the lead applicant to serve as fiduciary and project manager for the consortium. Only grant applicants that provide a minimum 50% local or private match will be considered for a state grant. Qualified plan proposals shall include all of the following:

(a) The transition of roadway usage from cars to alternative transportation spaces, including but not limited to walking, biking, and transit.

(b) Artwork, outdoor recreations, open spaces, and greenways.

(c) Commercial corridor activation, including innovations to fill vacant retail space with locally owned businesses.

(d) Mixed use development that contributes to dense, walkable areas.

(e) Transit and mixed income housing development. Although a qualified plan should include proposals for transit and mixed income housing development, state funds may not be used for these purposes.

(4) The department shall consider all of the following when selecting grant recipients:

(a) The likelihood that a proposed plan will lead to accelerated young talent population growth within the neighborhood or district.

(b) The extent to which a proposed plan will support the creation and ongoing success of locally owned businesses.

(c) The extent to which a proposed plan will create dense, walkable, vibrant spaces.

(d) The extent to which zoning and code restrictions have been, or will need to be, modified to support high-density residential development.

(e) The extent to which the proposed plan supports facilities and walkways that house or present cultural arts programs, performances, and exhibitions.

(f) The extent to which the proposed plan provides mixed-income housing.

(g) The likelihood of successful implementation of a proposed plan and its sustainability.

(5) To the extent possible, the department shall coordinate the selection of grant recipients with input and communication with the department of transportation, the Michigan state housing development authority, the Michigan economic development corporation, the department of natural resources, and the Michigan arts and culture council.

Sec. 1024. (1) From the ongoing funds appropriated in part 1 for voluntary income tax assistance grants, the department shall allocate \$3,300,000.00 to a nonprofit trade association to provide all of the following:

(a) Free tax preparation services for Michigan tax filers.

(b) Expanded statewide access to free tax preparation services.

(c) Expanded local capacity to provide free tax preparation services.

(2) Administration costs to provide the services listed in subsection (1)(a) to (c) may not exceed \$330,000.00.

Sec. 1025. (1) From the funds appropriated in part 1 for workforce development grants, \$5,000,000.00 shall be awarded to a state federation for labor 501(c)(3) organization workforce development institute to support operations related to workforce development in this state.

(2) From the funds appropriated in part 1 for workforce development grants, \$2,500,000.00 shall be awarded to Genesee Shiawassee Thumb (GST) Michigan Works! for an education, training and housing incentive program.

(3) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$1,000,000.00 to an arts and technology nonprofit organization in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census for a cyber security program for students.

(4) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$1,000,000.00 to a nonprofit health care organization that provides physical, vision, dental, and behavioral care in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census to expand opportunities for health care services to uninsured, underinsured, underserved, and refugee populations.

(5) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$1,000,000.00 to a nonprofit organization located in a city with a population between 195,000 and 200,000 according to the most recent federal decennial census for the purpose of expanding access to affordable senior housing and childcare.

(6) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$2,500,000.00 to a nonprofit housing partnership in a city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census to rehabilitate and repurpose a vacant school building listed on the National Register of Historic Places.

(7) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$1,000,000.00 to a housing commission in a county with a population between 160,300 and 160,370 according to the most recent federal decennial census to support affordable housing projects and housing services to residents.

(8) From the funds appropriated in part 1 for workforce development grants, \$10,000,000.00 shall be awarded to a community college located in a city with a population of between 109,900 and 110,000 and in a county with a population greater than 1,750,000 according to the most recent federal decennial census to support a student success center.

(9) From the funds appropriated in part 1 for workforce development grants, \$2,500,000.00 shall be awarded to a public community college based in a county with a population between 30,000 and 31,000 according to the most recent federal decennial census for the construction and development of an advanced manufacturing and skilled trades center.

(10) From the funds appropriated in part 1 for workforce development grants, \$2,500,000.00 shall be awarded to a 501(c)(3) nonprofit corporation committed to driving economic growth within minority communities that is headquartered in a city with a population greater than 600,000 according to the most recent federal decennial census to support its operation and expand its business development programming that provides training, certification, and other resources to promote the growth of minority business enterprises.

(11) From the funds appropriated in part 1 for workforce development grants, the department shall allocate \$1,000,000.00 to a health and university nonprofit partnership in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census for students to provide health services to underserved populations.

(12) From the funds appropriated in part 1 for workforce development grants, \$5,000,000.00 shall be awarded to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census focused on equitable local, regional, and statewide economic growth through immigrant inclusion programs, including, but not limited to, marketing and attracting, licensing, credentialing, placing, training, and accessing education to international entrepreneurs, companies and startups, professionals, and students.

Sec. 1026. (1) From the funds appropriated in part 1 for workforce stabilization, the department shall allocate funds to support health workforce initiatives. Health workforce initiatives include scholarship programs, recruitment, training, or other retention activities. Grants shall be allocated consistent with subsection (2).

(2) The department shall allocate \$3,000,000.00 to a statewide nonprofit foundation to support a scholarship program for nursing students or existing nurses seeking advanced degrees or certifications in this state. Funds allocated may also be used to provide wrap around supports to participating students or nurses.

(3) The department shall develop application guidelines and require necessary documentation to administer this section.

(4) The unexpended funds appropriated in part 1 for workforce stabilization are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to implement initiatives to stabilize the health workforce in this state.

(b) The project will be accomplished by utilizing state resources, contracts, or grants.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1027. From the funds appropriated in part 1 for workforce training: hospitality training program, \$10,000,000.00 shall be allocated to a proprietary school with the mission to provide individuals with the quality training to advance their skill sets, grow operational knowledge, and expand attributes necessary for advanced careers in the hospitality industry that is located in a city with a population between 111,000 and 114,000 according to the most recent federal decennial census.

Sec. 1028. (1) From the funds appropriated in part 1 for housing readiness incentive grant program, \$5,000,000.00 shall be awarded to provide grants to cities, villages, and townships to cover the costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

(2) A local unit of government that submits an eligible plan to the department may receive a grant of not more than \$50,000.00.

(3) The department may work in collaboration with the MEDC to review grant applications. Applicants must be reviewed and approved and grants must be awarded to qualified applicants, in the order in which applications are received.

(4) Local units of government shall provide a summary of changes to the department on completion of the process.

(5) The unexpended funds appropriated in part 1 for housing readiness incentive grant program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to provide grants to cities, villages, and townships to cover the costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

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

- (c) The estimated cost of the project is \$5,000,000.00.
- (d) The tentative completion date is September 30, 2027.
- Sec. 1029. (1) From the funds appropriated in part 1 for transformational municipal infrastructure, the department shall allocate funds to support the development costs of a city campus plan located in a municipality with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census. Funds utilized for a city campus must include the modernization of a municipal administration campus that will improve customer service and public accessibility, increase building efficiencies, modernize aging facilities, and improve downtown commerce and redevelopment.
- (2) Funds allocated under this section shall support the development costs of a new city campus plan in the downtown corridor. For purposes of this section, a city campus plan includes, but is not limited to, a municipal administration building, facilities, and adjacent infrastructure.
- (3) Consistent with subsection (2), development costs may include any of the following:
 - (a) Property acquisition.
 - (b) Planning, design, and engineering costs.
 - (c) Construction of a new city administration building owned by the applicant for funds under this section.
 - (d) Adjacent infrastructure improvements, including facades, fixtures, equipment, greenspace, streetscapes, utilities, or lighting.
- (4) In addition to other requirements under this section, the department may require submission of supporting documentation, including, but not limited to, any of the following:
 - (a) A detailed project scope and budget.
 - (b) Demonstration of a competitive bid process.
 - (c) Public support or community engagement activities.
 - (d) Plan designs or engineering documents, including environmental or economic impact.
 - (e) Historic preservation considerations or evaluation of alternative options.
 - (f) Existing or other planned downtown improvement activities that complement, maximize, or leverage a city campus plan funded under this section.
- (g) If applicable, plans to transition any existing public safety facilities currently located at an existing campus to new facilities.
- (5) The city campus plan funded under this section must identify any opportunities to leverage efficiencies with other governmental entities in a municipal administration building as part of the city campus plan. If excess space is available, the applicant for funds under this section shall seek to provide space for community-based organizations or to serve residents.
- (6) The department shall verify the applicant has complied with this section and all applicable state laws or regulations. To the greatest extent possible, the department shall make funds available by December 15, 2023 to begin implementation of a city campus plan.
- (7) The unexpended funds appropriated in part 1 for transformational municipal infrastructure are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:
 - (a) The purpose of the project is to support the costs of a city campus plan.
 - (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
 - (c) The estimated cost of the project is \$40,000,000.00.
 - (d) The tentative completion date is September 30, 2027.

ARTICLE 10
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	30.0	
Full-time equated classified positions	1,863.9	
GROSS APPROPRIATION	\$	627,940,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		46,897,200
ADJUSTED GROSS APPROPRIATION	\$	581,043,700

	For Fiscal Year Ending Sept. 30, 2024	
Federal revenues:		
Total federal revenues	\$	50,004,200
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		259,708,400
State general fund/general purpose	\$	271,331,100
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	30.0	
Full-time equated classified positions	100.0	
Unclassified salaries—FTEs	30.0\$	2,851,200
Administrative services—FTEs	73.0	8,787,100
Executive director programs—FTEs	24.0	2,925,500
FOIA coordination—FTEs	3.0	337,800
Property management		7,738,400
Worker's compensation		130,000
GROSS APPROPRIATION	\$	22,770,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDIFS, accounting services		150,000
Federal revenues:		
EPA, underground storage tanks		30,300
HHS-Medicaid, certification of health care providers and suppliers		424,100
HHS-Medicare, certification of health care providers and suppliers		621,000
Special revenue funds:		
Aboveground storage tank fees		95,300
Accountancy enforcement fund		67,800
Boiler inspection fund		288,900
Builder enforcement fund		103,300
Construction code fund		788,500
Corporation fees		4,313,100
Elevator fees		310,000
Fire alarm fees		7,500
Fire safety standard and enforcement fund		2,100
Fire service fees		470,800
Fireworks safety fund		61,200
Health professions regulatory fund		1,799,900
Health systems fees		252,700
Licensing and regulation fund		951,500
Liquor license revenue		292,400
Liquor purchase revolving fund		3,131,600
Marihuana registry fund		189,800
Marihuana regulation fund		1,241,600
Marihuana regulatory fund		554,900
Michigan unarmed combat fund		5,900
Mobile home code fund		290,000
Nurse professional fund		39,800
PMECSEMA fund		47,000
Property development fees		7,600
Public utility assessments		3,282,300
Real estate appraiser education fund		2,800
Real estate education fund		11,600
Real estate enforcement fund		11,900

	For Fiscal Year Ending Sept. 30, 2024	
Refined petroleum fund	\$	173,200
Securities fees		1,463,000
Securities investor education and training fund		9,400
Security business fund		7,100
Survey and remonumentation fund		98,600
Tax tribunal fund		825,300
Utility consumer representation fund		54,000
State general fund/general purpose	\$	292,200
Sec. 103. PUBLIC SERVICE COMMISSION		
Full-time equated classified positions	195.0	
Public service commission—FTEs	195.0\$	34,941,000
GROSS APPROPRIATION	\$	34,941,000
Appropriated from:		
Federal revenues:		
DOT, gas pipeline safety		3,078,600
Special revenue funds:		
Public utility assessments		31,862,400
State general fund/general purpose	\$	0
Sec. 104. LIQUOR CONTROL COMMISSION		
Full-time equated classified positions	150.0	
Liquor licensing and enforcement—FTEs	119.0\$	17,761,100
Management support services—FTEs	31.0	4,900,400
GROSS APPROPRIATION	\$	22,661,500
Appropriated from:		
Special revenue funds:		
Direct shipper enforcement revolving fund		308,700
Liquor control enforcement and license investigation revolving fund		175,000
Liquor license fee enhancement fund		76,400
Liquor license revenue		8,402,500
Liquor purchase revolving fund		13,698,900
State general fund/general purpose	\$	0
Sec. 105. OCCUPATIONAL REGULATION		
Full-time equated classified positions	1,028.9	
Bureau of community and health systems—FTEs	171.0\$	25,269,900
Bureau of construction codes—FTEs	172.0	26,634,900
Bureau of fire services—FTEs	79.0	14,028,700
Bureau of professional licensing—FTEs	202.0	40,966,500
Bureau of survey and certification—FTEs	155.9	26,025,600
Child care licensing and regulation—FTEs	140.0	23,677,800
Corporations, securities, and commercial licensing bureau—FTEs	109.0	15,854,400
Urban search and rescue		1,000,000
GROSS APPROPRIATION	\$	173,457,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDE, child care licensing		20,076,100
Federal revenues:		
DHS, fire training systems		528,000
DOT, hazardous materials training and planning		20,000
EPA, underground storage tanks		820,600
HHS-Medicaid, certification of health care providers and suppliers		8,958,500
HHS-Medicare, certification of health care providers and suppliers		14,438,800
Special revenue funds:		
Aboveground storage tank fees		333,100

	For Fiscal Year Ending Sept. 30, 2024	
Accountancy enforcement fund	\$	780,600
Adult foster care facilities licenses fund		416,500
Boiler inspection fund		2,974,900
Builder enforcement fund		644,000
Child care home and center licenses fund		501,700
Construction code fund		12,036,600
Corporation fees		8,551,800
Division on deafness fund		73,400
Elevator fees		3,951,300
Fire alarm fees		135,500
Fire safety standard and enforcement fund		31,100
Fire service fees		2,699,500
Fireworks safety fund		1,241,200
Health professions regulatory fund		26,982,600
Health systems fees		4,005,000
Licensing and regulation fund		11,808,300
Liquor purchase revolving fund		150,700
Marihuana regulatory fund		500,000
Mobile home code fund		2,126,900
Nurse aide registration fund		598,100
Nurse professional fund		1,967,200
Nursing home administrative penalties		100,000
PMECSEMA fund		1,907,100
Property development fees		192,600
Real estate appraiser education fund		65,500
Real estate education fund		347,500
Real estate enforcement fund		554,400
Refined petroleum fund		2,699,400
Securities fees		5,258,300
Securities investor education and training fund		496,500
Security business fund		237,900
Survey and remonumentation fund		893,800
State general fund/general purpose	\$	33,352,800
Sec. 106. CANNABIS REGULATORY AGENCY		
Full-time equated classified positions	173.0	
Cannabis regulatory agency—FTEs	173.0\$	28,004,600
GROSS APPROPRIATION	\$	28,004,600
Appropriated from:		
Special revenue funds:		
Industrial hemp licensing and registration fund		300,000
Marihuana registry fund		3,475,500
Marihuana regulation fund		17,805,800
Marihuana regulatory fund		6,423,300
State general fund/general purpose	\$	0
Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES		
Full-time equated classified positions	194.0	
Michigan office of administrative hearings and rules—FTEs	194.0\$	38,840,500
GROSS APPROPRIATION	\$	38,840,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG revenues, administrative hearings and rules		26,671,100

	For Fiscal Year Ending Sept. 30, 2024	
Special revenue funds:		
Construction code fund	\$	26,700
Corporation fees		4,340,500
Health professions regulatory fund		859,200
Health systems fees		164,900
Licensing and regulation fund		900,300
Liquor purchase revolving fund		481,000
Marihuana regulation fund		253,500
Marihuana regulatory fund		98,700
Public utility assessments		2,487,200
Securities fees		1,019,100
Tax tribunal fund		847,600
State general fund/general purpose	\$	690,700
Sec. 108. COMMISSIONS		
Full-time equated classified positions	21.0	
Michigan indigent defense commission—FTEs	21.0\$	3,167,400
Michigan unarmed combat commission		126,200
GROSS APPROPRIATION	\$	3,293,600
Appropriated from:		
Special revenue funds:		
Michigan unarmed combat fund		126,200
State general fund/general purpose	\$	3,167,400
Sec. 109. GRANTS		
Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		9,900,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		220,917,400
Remonumentation grants		6,800,000
Utility consumer representation		850,000
GROSS APPROPRIATION	\$	243,767,400
Appropriated from:		
Special revenue funds:		
Fireworks safety fund		2,300,000
Liquor license revenue		9,900,000
Local indigent defense reimbursement		300,000
Marihuana regulation fund		3,000,000
Survey and remonumentation fund		6,800,000
Utility consumer representation fund		850,000
State general fund/general purpose	\$	220,617,400
Sec. 110. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	22,354,500
GROSS APPROPRIATION	\$	22,354,500
Appropriated from:		
Federal revenues:		
DOT, gas pipeline safety		44,900
EPA, underground storage tanks		99,900
HHS-Medicaid, certification of health care providers and suppliers		357,300
HHS-Medicare, certification of health care providers and suppliers		582,200
Special revenue funds:		
Aboveground storage tank fees		34,500
Accountancy enforcement fund		1,100
Boiler inspection fund		327,200
Construction code fund		1,287,500

		For Fiscal Year Ending Sept. 30, 2024
Corporation fees	\$	5,253,900
Elevator fees		475,600
Fire safety standard and enforcement fund		3,000
Fire service fees		536,900
Fireworks safety fund		51,900
Health professions regulatory fund		1,869,200
Health systems fees		297,400
Licensing and regulation fund		1,098,800
Liquor license revenue		47,600
Liquor purchase revolving fund		4,361,100
Marihuana registry fund		153,800
Marihuana regulation fund		985,000
Marihuana regulatory fund		432,000
Michigan unarmed combat fund		6,800
Mobile home code fund		175,600
PMECSEMA fund		38,500
Public utility assessments		1,277,700
Real estate appraiser education fund		1,000
Real estate education fund		1,900
Refined petroleum fund		170,300
Securities fees		263,400
Securities investor education and training fund		1,000
Survey and remonumentation fund		73,900
Tax tribunal fund		183,000
State general fund/general purpose	\$	1,860,600
Sec. 111. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	2.0	
Bureau of fire services - smoke detectors	\$	1,000,000
Bureau of survey and certification		1,200,000
Cannabis regulatory agency reference laboratory		2,800,000
Cannabis regulatory agency social equity program		1,000,000
Child care licensing bureau background check program		200,000
Corporations online filing modernization		2,700,000
Michigan saves		5,500,000
Premanufactured unit plan review upgrades		350,000
Renewable energy and electrification infrastructure enhancement and development—FTEs	2.0	21,300,000
Utility consumer representation grants		1,800,000
GROSS APPROPRIATION	\$	37,850,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		20,000,000
Special revenue funds:		
Corporation fees		2,700,000
Marihuana regulation fund		3,800,000
State general fund/general purpose	\$	11,350,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$531,039,500.00 and state spending from state sources

to be paid to local units of government for fiscal year 2023-2024 is \$242,917,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		9,900,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		220,917,400
Remonumentation grants		6,800,000
TOTAL	\$	242,917,400

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) “Department” means the department of licensing and regulatory affairs.
- (b) “DHS” means the United States Department of Homeland Security.
- (c) “Director” means the director of the department.
- (d) “DOT” means the United States Department of Transportation.
- (e) “EPA” means the United States Environmental Protection Agency.
- (f) “FOIA” means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (g) “FTE” means full-time equated.
- (h) “HHS” means the United States Department of Health and Human Services.
- (i) “IDG” means interdepartmental grant.
- (j) “MDE” means the Michigan department of education.
- (k) “MDIFS” means the Michigan department of insurance and financial services.
- (l) “PMECSEMA” means pain management education and controlled substances electronic monitoring and antidiversion.
- (m) “Subcommittees” means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement must include transmission of reports via email to the recipients identified for each reporting requirement and it must include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the funds appropriated in part 1:

- (a) The funds must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or a departmental agency in the state classified civil service because the employee communicates with a member of the legislature or a member’s staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. In accordance with section 217 of the management and budget act, 1984 PA 31, MCL 18.1217, a department or an agency that receives funding under part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. Funds appropriated in this part and part 1 must not be used by the department 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose 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. 211. (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 authorization. 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 \$25,000,000.00 for state restricted contingency authorization. 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 authorization. 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 \$100,000.00 for private contingency authorization. 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. 212. 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 the department:

- (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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the subcommittees, 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 prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that geographically disadvantaged business enterprises, as that term is defined in Executive Directive 2019-08, compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 216. On a quarterly basis, the department shall report the following information to the recipients required under section 205:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each chamber, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the joint committee on administrative rules, and the recipients required under section 205.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees and to the recipients required under section 205 any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the recipients required under section 205 on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023, and the number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website.

Sec. 223. (1) Funding appropriated in part 1 shall not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 224. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 225. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of pass-through funds appropriated under this section.

Sec. 226. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$4,000,000.00.

Sec. 227. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed \$1,000,000.00.

Sec. 228. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 229. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Construction code manuals.

(e) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 230. (1) Not later than December 31, the department shall submit a report pertaining to licensing and regulatory programs overseen by the following agencies:

(a) Liquor control commission.

(b) Bureau of fire services.

(c) Corporations, securities, and commercial licensing bureau.

(d) Bureau of professional licensing.

(2) The report under subsection (1) must be in a format that is consistent between the agencies listed in subsection (1) and must provide, but is not limited to, the following information for the immediately preceding fiscal year, as applicable, for each agency:

(a) Revenue generated by and expenditures disbursed for each regulatory product.

(b) Revenue generated by regulatory product or regulated activity.

(c) The renewal cycle and amount of each fee charged.

(d) Number of initial applications.

(e) Number of initial applications denied.

(f) Number of license renewals.

(g) Average amount of time to approve or deny completed applications.

(h) Number of examinations proctored for initial applications.

(i) A description of the types of complaints received.

(j) A description of the process used to resolve complaints.

(k) Number of complaints received.

(l) Number of complaints investigated.

(m) Number of complaints closed with no action.

(n) Number of complaints resulting in administrative actions or citations.

(o) Average amount of time to complete investigations.

(p) Number of enforcement actions, including license revocations, suspensions, and fines.

(q) A description of the types of enforcement actions taken against licensees.

(r) Number of administrative hearing adjudications.

(3) An agency listed in subsection (1)(a) or (b) shall report by regulated activity and an agency listed in subsection (1)(c) or (d) shall report by regulatory product or regulated activity, or both.

(4) As used in this section:

(a) "Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

(b) "Regulatory product" means each occupation, profession, trade, or program, which includes licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity.

Sec. 231. It is the intent of the legislature that the department establish an employee performance monitoring process that is consistent throughout the department, in addition to current civil service commission evaluations. The department shall submit an annual report on changes to the employee performance monitoring process that are planned or implemented, as well as the number of employee evaluations performed.

Sec. 232. The department shall submit a report by September 30 detailing any expenditure of funds for a television or radio production that was made to a third-party vendor in the fiscal year ending September 30, 2024. The report must include the following information for each expenditure:

(a) Total amount of the expenditure.

(b) Fund source for the expenditure.

(c) Name of any vendor that created the production and the amount paid to each vendor.

(d) Purpose of the production.

PUBLIC SERVICE COMMISSION

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the grant program.

Sec. 302. From the funds appropriated in part 1, the Michigan public service commission shall conduct at least 1 public hearing within each of the 4 judicial districts described under section 302 of the revised judicature act of 1961, 1961 PA 236, MCL 600.302. Any hearing conducted within district 4, as that district is described under section 302 of the revised judicature act of 1961, 1961 PA 236, MCL 600.302, must be conducted outside of Ingham County. If there is a city with a population between 195,000 and 700,000 according to the most recent federal decennial census within a judicial district described under section 302 of the revised judicature act of 1961, 1961 PA 236, MCL 600.302, the public hearing for that district must be conducted in that city.

LIQUOR CONTROL COMMISSION

Sec. 401. (1) From the appropriations in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. In addition to other investigative methods, the commission shall use shipping records available to it under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort. The liquor control commission must refer all unlicensed out-of-state retailers and third-party marketers identified with the shipping records to the attorney general.

(2) By February 1, the liquor control commission shall provide a report to the legislature, the subcommittees, and the state budget office detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall include the following:

(a) Work hours spent, specific actions undertaken, and the number of FTEs dedicated to identifying and stopping unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(b) General overview of expenditures associated with efforts to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(c) Number of out-of-state entities found to have illegally shipped wine into Michigan and total number of bottles (750 ml), number of cases with 750 ml bottles, number of liters, number of gallons, or weight of illegally shipped wine. These items must be broken down by total number of retailers and total number of wineries.

(d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.

(e) Number of unlicensed out-of-state entities found to have illegally shipped wine into Michigan identified with the shipping records under subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the appropriations in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into Michigan that has been identified via the shipping records under subsection (1). The notice must include all of the following:

(a) Notification that shipping wine into Michigan by retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) Under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) Notice that the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

<u>Operation and maintenance inspection fee</u>		
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<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. Not later than February 15, the department shall submit a report providing the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 504. If the revenue collected by the department for health systems administration from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 505. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed \$800.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature.

Sec. 506. The department shall submit a report on the Michigan automated prescription system by November 30. The report shall include, but is not limited to, the following:

(a) Total number of licensed health professionals registered to the Michigan automated prescription system.

(b) Total number of dispensers registered to the Michigan automated prescription system.

(c) Total number of prescribers using the Michigan automated prescription system.

(d) Total number of dispensers using the Michigan automated prescription system.

(e) Number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action as a result of information and data generated from the Michigan automated prescription system.

(f) The number of hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into their electronic health records systems.

(g) Total number of delegate users registered to the Michigan automated prescription system.

Sec. 507. From the funds appropriated in part 1 for the bureau of construction codes, it is the intent of the legislature that the department allocate at least \$900,000.00 to cooperate with the office of the state employer, the relevant collective bargaining unit, and any other relevant stakeholders to increase compensation rates for elevator inspectors employed by the department.

Sec. 508. From the funds appropriated in part 1 for the bureau of construction codes, the department may cooperate with the office of the state employer, the relevant collective bargaining units, and any other relevant stakeholders to conduct a market analysis of the compensation rates for all skilled trades inspectors employed by the department to determine any disparity in compensation for skilled trades inspectors employed by the department and those employed by other governmental entities or employed in the private sector as skilled trades inspectors or skilled tradespeople.

Sec. 509. From the funds appropriated in part 1 for bureau of construction codes, at least \$900,000.00 must be allocated for additional inspections and enforcement activities related to the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

Sec. 510. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered before August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

Sec. 511. From the funds appropriated in part 1 for the bureau of fire services, the bureau shall perform or work in cooperation with local units of government to perform inspections at places of public assembly that are of highest risk to occupants for injury or fatality based on the size, density, or the nature of activities performed within the facility, in accordance with the requirements under section 21c of the fire prevention code, 1941 PA 207, MCL 29.21c.

CANNABIS REGULATORY AGENCY

Sec. 601. The department shall submit a comprehensive annual report for all marihuana programs administered by the cannabis regulatory agency by January 31. This report shall include, but is not limited to, all of the following information for the prior fiscal year regarding the marihuana programs under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

- (a) The number of initial applications received, by license category.
- (b) The number of initial applications approved and the number of initial applications denied, by license category.
- (c) The average amount of time, from receipt to approval or denial, to process an initial application, by license category.
- (d) The number of renewal applications approved, by license category and by county.
- (e) The number of renewal applications received, by license category and by county, if applicable.
- (f) The number of renewal applications denied, by license category and by county.
- (g) The average amount of time, from receipt to approval or denial, to process a renewal application, by license category, if applicable.
- (h) The percentage of initial applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.
- (i) The percentage of renewal applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.
- (j) The total amount collected from application fees or established regulatory assessment and the specific fund this amount is deposited into, by license category.
- (k) The registered names and addresses of all facilities licensed under each act, by license category and by county.
- (l) The number of complaints received pertaining to each act, by license type or regulatory activity.
- (m) A description of the types of complaints received.
- (n) A description of the process used to resolve complaints.
- (o) The number of investigations opened pertaining to each license category.
- (p) The number of investigations closed pertaining to each license category.
- (q) The average amount of time to complete investigations pertaining to each license category.
- (r) The number of enforcement actions pertaining to each license category.
- (s) A description of the types of enforcement actions taken against licensees.
- (t) The number of administrative hearing adjudications pertaining to each license type.
- (u) A list of the fees charged for license applications, license renewals, and registry cards.

Sec. 602. From the funds appropriated in part 1, the cannabis regulatory agency shall annually post on a publicly accessible website a list of all of the following:

- (a) The number of investigative reports that identify suspected illegal or irregular activities of licensees under the agency's purview.
- (b) The number of investigative reports that identify suspected marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.
- (c) The number of complaints filed by the public with the agency concerning marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.
- (d) The number of complaints filed by the public with the agency concerning unlicensed commercial production or sale of delta-8 THC.

(e) The number and outcome of all agency disciplinary proceedings initiated against any licensee subject to the reports or complaints in subdivisions (a), (b), (c), and (d).

(f) The number of reports of any suspected or illegal activities and the category of suspected illegal or irregular activities the agency referred to the department of state police, or other appropriate law enforcement agency, of any suspected or illegal activities contained in the reports or complaints in subdivisions (a), (b), (c), and (d).

(g) For any licensee subject to disciplinary proceedings initiated by the agency under the reports or complaints in subdivisions (a), (b), (c), and (d), the cannabis regulatory agency shall post the following information on a publicly accessible website upon the closure of any investigative report:

(i) Name of licensee.

(ii) Description of the allegation.

(iii) Complaint type.

(iv) Process used to resolve the allegation.

(v) Name of the law enforcement agency the allegation was referred to, including the date of the referral.

Sec. 603. The department shall submit a comprehensive annual report for all hemp programs administered by the cannabis regulatory agency by January 31. The report must include, but is not limited to, all of the following:

(a) The total amount collected by the cannabis regulatory agency from regulatory and licensing activities related to hemp and hemp processor-handlers.

(b) The total cost of administering hemp regulatory and licensing programs.

(c) The total number of hemp processor-handlers and any other hemp licensees licensed in this state, by county.

(d) A list and description of any fees that the cannabis regulatory agency assesses on hemp licensees.

COMMISSIONS

Sec. 801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice.

Sec. 802. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 803. Not later than March 1, the Michigan indigent defense commission must submit a report containing all of the following:

(a) A detailed explanation of the total cost calculation for each indigent defense standard for which grant recipients are receiving state grant funding. This explanation must include a comprehensive itemization of the types of costs included for each standard.

(b) An itemized listing of how much funding each grant recipient is receiving for each indigent defense standard.

(c) An explanation of the specific causal factors associated with any increase or decrease of Michigan indigent defense commission grant funding from the fiscal year 2023-24 level.

Sec. 804. From the funds appropriated in part 1, the Michigan indigent defense commission shall notify the chairs of the subcommittees not more than 7 days after the adoption of any new indigent defense standard. The notification must include an estimated cost projection to fund the adopted indigent defense standard for the initial and subsequent fiscal years.

GRANTS

Sec. 901. (1) The department shall expend the funds appropriated in part 1 for marihuana operation and oversight grants for grants to counties for education and outreach programs relating to the Michigan medical marihuana program and the adult-use marihuana program, pursuant to section 6(l) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from application and license fees authorized under section 8(1)(b) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant money available to each county on its website. In addition, the department shall work collaboratively with counties regarding the availability of these grant funds. A county requesting a grant shall apply on a form developed by the department and available on its website. The form shall contain the county's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and agree to report how the grant was expended and to provide that report to the department not later than September 15. The department shall submit a report not later than October 15 of the subsequent fiscal year detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

Sec. 902. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighters training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, the following apply to the extent otherwise permissible by law:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subdivision (a) is less than \$5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to provide for a minimum payment of \$5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighters training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighters training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

ONE-TIME APPROPRIATIONS

Sec. 1001. (1) From the funds appropriated in part 1 for bureau of fire services – smoke detectors, the bureau of fire services must purchase and distribute sealed-battery smoke detectors to the residents of this state. The bureau of fire services may purchase smoke detectors with additional capabilities for individuals with physical or psychological conditions that require an accommodative technology.

(2) Not later than September 30, the department shall submit a report that contains all of the following information:

(a) The number of smoke detectors that the bureau of fire services purchased.

(b) The per-unit price that the bureau paid for the smoke detectors.

(c) An itemized list of all cities, villages, or townships that received smoke detectors and the number of smoke detectors distributed to each city, village, or township.

Sec. 1002. From the funds appropriated in part 1 for the cannabis regulatory agency social equity program, the cannabis regulatory agency shall further develop the program established under section 8(1)(j) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958, with the following goals:

(a) To encourage and increase participation in the social equity program, with particular focus to promote and encourage participation in the marihuana industry by people from communities that have been disproportionately impacted by marihuana prohibition and enforcement.

(b) To establish a minimum number of licensees that are participating in the social equity program.

(c) To consider the area median income in designating disproportionately impacted communities.

Sec. 1003. From the funds appropriated in part 1 for Michigan saves, the Michigan public service commission may award a \$5,500,000.00 grant to a nonprofit green bank with experience in leveraging energy-efficiency and renewable energy improvements, for the purpose of making such loans more affordable for Michigan families, businesses, and public entities. Grant funds may be used to support a loan loss reserve fund or other comparable financial instrument to further leverage private investment in clean energy improvements.

Sec. 1004. (1) From the funds appropriated in part 1 for the premanufactured unit plan review upgrades, the bureau of construction codes shall implement changes to decrease the average length of time to process and review premanufactured unit plan submissions.

(2) The department shall submit biannual reports not later than April 1 and September 30 that include all of the following information:

(a) A description of the specific changes that the bureau implemented to decrease the average length of time to process premanufactured unit plan submissions.

(b) The average length of time to process a premanufactured unit plan submission in fiscal year 2022-2023.

(c) The average length of time to process a premanufactured unit plan submission in fiscal year 2023-2024.

(d) The total number of premanufactured unit plans submitted in fiscal year 2022-2023.

(e) The total number of premanufactured unit plans submitted in fiscal year 2023-2024.

Sec. 1005. (1) From the funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development, except as otherwise provided in subsection (11), funding must be expended only for grants to businesses, nonprofit organizations, and local units of government for the purpose of planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects.

(2) From the total amount of funding for grants awarded under this section for electric vehicle fast-charging infrastructure, 25% of the total amount must be allocated for infrastructure that provides charging at a power level of 350 kilowatts or less and 75% of the total amount must be allocated for infrastructure that provides charging at a power level of at least 350 kilowatts.

(3) The Michigan public service commission shall develop guidelines for the grant program described in subsection (1) and implement an application process for the grant program not later than 6 months after the effective date of this act and must first prioritize and approve grants that meet the goals of the governor's MI healthy climate plan.

(4) Grant applicants must perform an impact study that includes an analysis of potential cost savings, environmental impacts, and local economic benefits of the proposed renewable energy and electrification infrastructure project. A utility, at its sole discretion, may prepare a single impact study covering the utility's service territory that accounts for likely proposals, evaluates regional opportunities, and minimizes or eliminates the need for repetitive studies. Sufficient detail must be provided in the study to allow the Michigan public service commission to evaluate each proposed project, including how the proposed project will align with the governor's MI healthy climate plan.

(5) An applicant applying for a grant to be used to develop RNG infrastructure shall include all of the following when submitting an application:

(a) The project details, including the location of biogas and the proposed interconnection.

(b) The cost estimates for the interconnection, metering, and gas conditioning equipment needed to connect to an existing pipeline system.

(c) A summary of the environmental and health impacts of the project, including the forecasted emission reductions.

(d) Any local economic impact from the RNG infrastructure development.

(e) The end-use application for the RNG infrastructure with a focus on projects being used for opportunities in this state.

(6) After receiving an application under this section, the Michigan public service commission must allow local units of government, environmental groups, and business interests directly affected by the proposal 45 days to review the application and provide comments. The Michigan public service commission must give the applicant 15 days after the comments have been received from interested parties, at the applicant's discretion, to modify or maintain the applicant's initial proposal.

(7) The Michigan public service commission must review all proposals and award grants to applicants it determines have met the criteria in this section. All grants must include full and timely cost recovery from the fund for the infrastructure requirements of the affected utility made necessary by the grant.

(8) Grant recipients under this section must submit a report to the Michigan public service commission detailing how the grant money was used not later than 30 days after the completion of the relevant project.

(9) The unexpended funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. 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 project is to support renewable energy and electrification infrastructure projects.

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

- (c) The total estimated cost of the project is \$21,300,000.00.
- (d) The tentative completion date is September 30, 2028.
- (10) The funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development must not be used to expand the use of conventional natural gas.
- (11) From the funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development, the Michigan public service commission shall not use more than \$500,000.00, upon awarding of the grants, for administrative-related expenses incurred by the commission for the operation of the grant program. Funds supporting the grant program are appropriated in the Michigan public service commission upon awarding of the grants.
- (12) As used in this section:
 - (a) “Renewable energy and electrification infrastructure projects” includes, but is not limited to, renewable natural gas facilities and electric vehicle fast-charging infrastructure upgrades within 1 mile of a United States highway or state trunkline roadway.
 - (b) “Renewable natural gas” or “RNG” means methane derived from organic material and degradable carbon sources, including, but not limited to, carbon sources and materials sourced from municipal solid waste, plant materials, or food waste.

ARTICLE 11
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, 2024, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	1,051.0	
GROSS APPROPRIATION	\$	248,340,400
Total interdepartmental grants and intradepartmental transfers	\$	101,800
ADJUSTED GROSS APPROPRIATION		248,238,600
Federal revenues:		
Total federal revenues		135,035,900
Special revenue funds:		
Total local revenues		0
Total private revenues		100,000
Total other state restricted revenues		14,213,400
State general fund/general purpose	\$	98,889,300
Sec. 102. MILITARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	418.5	
Unclassified salaries—FTEs	9.0\$	1,736,600
Headquarters and armories—FTEs	103.0	21,897,200
Michigan youth challenge academy—FTEs	68.0	10,151,100
Military family relief fund		150,000
Military retirement		1,351,000
Military training sites and support facilities—FTEs	244.0	44,583,000
National guard operations		300,500
National guard tuition assistance fund—FTEs	3.5	11,520,700
Starbase grant		2,322,000
GROSS APPROPRIATION	\$	94,012,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG - state police		101,800
Federal revenues:		
DOD - DOA - NGB		62,368,200
Federal counternarcotics revenues		100,000
Special revenue funds:		
Private donations		90,000

	For Fiscal Year Ending Sept. 30, 2024	
Billeting fund	\$	1,377,000
Military family relief fund		150,000
Morale, welfare, and recreation fund		100,000
Rental fees		187,300
Test project fees		100,000
State general fund/general purpose	\$	29,437,800
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
Full-time equated classified positions	61.0	
County veteran service grants—FTEs	2.0	\$ 4,250,000
Michigan veterans affairs agency administration—FTEs	49.0	9,265,800
Veterans trust fund administration—FTEs	8.0	1,164,400
Veterans trust fund grants		2,500,000
Veterans service grants—FTEs	2.0	4,250,000
GROSS APPROPRIATION	\$	21,430,200
Appropriated from:		
Special revenue funds:		
Private donations		10,000
Michigan veterans trust fund		3,664,400
Veterans license plate fund		50,000
State general fund/general purpose	\$	17,705,800
Sec. 104. MICHIGAN VETERANS FACILITY AUTHORITY		
Full-time equated classified positions	571.5	
Chesterfield Township home for veterans—FTEs	115.0	\$ 27,127,400
D.J. Jacobetti home for veterans—FTEs	200.0	23,734,400
Grand Rapids home for veterans—FTEs	238.0	28,599,600
Information technology services and projects		1,687,900
Michigan veteran homes administration—FTEs	18.0	3,581,300
Veterans cemetery—FTEs	0.5	84,800
GROSS APPROPRIATION	\$	84,815,400
Appropriated from:		
Federal revenues:		
DVA - VHA		31,700,100
HHS - HCFA, Medicare, hospital insurance		1,409,200
HHS - HCFA title XIX, Medicaid		9,304,700
Special revenue funds:		
Income and assessments		7,572,700
Lease revenue		12,000
State general fund/general purpose	\$	34,816,700
Sec. 105. CAPITAL OUTLAY		
Armory maintenance	\$	1,000,000
Land and acquisitions		1,000,000
Special maintenance - National Guard		30,000,000
Special maintenance - veterans homes		500,000
GROSS APPROPRIATION	\$	32,500,000
Appropriated from:		
Federal revenues:		
DOD - DOA - NGB		30,000,000
Special revenue funds:		
Michigan national guard construction fund		1,000,000
State general fund/general purpose	\$	1,500,000
Sec. 106. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	582,700
GROSS APPROPRIATION	\$	582,700

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	\$ 153,700
State general fund/general purpose	\$ 429,000
Sec. 107. ONE-TIME APPROPRIATIONS	
Eliminating veteran homelessness grants	\$ 2,000,000
MVFA facilities transition funding	3,000,000
Selfridge Air National Guard Base	10,000,000
GROSS APPROPRIATION	\$ 15,000,000
Appropriated from:	
State general fund/general purpose	\$ 15,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2024 is \$113,102,700.00 and state spending from state sources to be paid to local units of government for fiscal year ending September 30, 2024 is \$4,178,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
County veteran service grants	\$ 4,041,500
Michigan veterans affairs agency administration	90,000
Military training sites and support facilities	46,500
TOTAL	\$ 4,178,000

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) “CMS” means the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

(b) “Department” means the department of military and veterans affairs.

(c) “DHHS” means the department of health and human services.

(d) “Director” means the director of the department.

(e) “FTE” means full-time equated.

(f) “IDG” means interdepartmental grant.

(g) “MVAA” means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.

(h) “MVFA” means the Michigan veterans’ facility authority created under section 3 of the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.103.

(i) “MVH” means the Michigan veteran homes as that term is defined in the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.102.

(j) “MYCA” means the Michigan youth challenge academy.

(k) “USDVA” means the United States Department of Veterans Affairs.

(l) “USDVA-VHA” means the USDVA Veterans Health Administration.

(m) “VSO” means veterans service organization.

(n) “Veterans’ facility” means that term as defined in section 2 of the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.102.

(o) “Work project” means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to each of the following recipients:

(a) The senate and house appropriations subcommittees on military and veterans affairs and state police.

- (b) The senate and house fiscal agencies.
- (c) The senate and house policy offices.
- (d) The state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) Funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service for communicating with a member of the legislature or the member's staff, unless the communication is prohibited by law and the department or agency is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the recipients required under section 205 of this part and the senate and house appropriations committees. The travel report must include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. The department shall not use funds appropriated in part 1 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,600,000.00 for federal contingency authorization. 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 \$1,100,000.00 for state restricted contingency authorization. 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 \$250,000.00 for local contingency authorization. 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 \$100,000.00 for private contingency authorization. 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. 212. From the funds appropriated in part 1, 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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide and submit an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years to the recipients required under section 205 of this part and to the chairpersons of the senate and house appropriations committees.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined by Executive Directive 2019-08.

Sec. 216. (1) On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification. The report must include the following information:

(a) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(b) A detailed accounting of all vacant positions that exist within the department.

(c) A detailed accounting of all vacant positions that are health-care-related.

(d) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

(2) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

Sec. 217. It is the intent of the legislature that the department maximize the efficiency of the its workforce and, if possible, prioritize in-person work. Each department, agency, board, or authority that receives funding under part 1 shall post its in-person, remote, or hybrid work policy on its website.

Sec. 218. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the recipients required under section 205 of this part and to the senate and house appropriations committees and the joint committee on administrative rules.

Sec. 220. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report, to the recipients required under section 205 of this part and to the senate and house appropriations committees, any amount of severance pay for a department or agency director, deputy director, or other high-ranking department or agency official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the recipients required under section 205 of this part and to the senate and house appropriations committees on the total amount of severance pay remitted to former department or agency employees during the prior fiscal year and the total number of former department or agency employees that were remitted severance pay during the prior fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 221. To the extent possible, the department shall not expend appropriations in part 1 until all existing work project authorization available for the same purposes is exhausted.

Sec. 222. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 223. 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.

Sec. 224. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the recipients required in section 205 of this part.

Sec. 225. The department shall provide biannual reports, which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item, including a year-end projection of budget requirements.

(c) The number of active employees at the close of the reporting period by job classification and departmental branch of service.

Sec. 226. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 229. The department shall provide annually to the senate and house appropriations subcommittees on military and veterans affairs and state police and the senate and house fiscal agencies its updated departmental strategic plan.

MILITARY

Sec. 301. (1) The department shall report by September 30 a list of the current unclassified positions, which shall include the official titles and responsibilities of each position.

(2) Upon the department being granted a request for an additional unclassified employee position from the civil service commission, or for any substantive changes to the duties of an existing unclassified employee position, the department shall report on these changes within 15 days.

Sec. 302. (1) The department shall operate and maintain National Guard armories and implement a system to measure the condition and adequacy of those armories.

(2) The department shall evaluate armories and submit a report annually, on the status of the armories.

(3) By December 1, the department shall report the following information:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

(f) A review of the status of construction activities and expenditures of the armory modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of 2022 PA 194.

Sec. 303. (1) The department shall maintain the MYCA to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the MYCA from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the DHHS to identify youth who may be eligible for MYCA from those youth served by DHHS services programs. These eligible youth shall be given priority for enrollment.

(4) The department shall maintain the MYCA to graduate at least the target number of graduates consistent with the state's cooperative agreement with the National Guard Bureau regarding program operations.

(5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

(6) Any unexpended and unencumbered private donations to support the MYCA at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (1) The department shall provide an annual report on the revenues, expenditures, and fund balance of the Michigan military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213. Expenditures must be itemized by purpose, including, but not limited to, for advertising and assistance grants. This report shall also include information on the number of applications for assistance received, approved, and denied.

(2) From the funds appropriated in part 1, the department shall provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty on the availability of assistance through the military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.

Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information annually:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations must be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and must not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report by December 15 of operations and expenditures regarding the billeting fund account for the prior fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program under the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.431 to 32.433.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Army and Air National Guard to compete for guard members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(4) Not later than March 1, the department shall provide a report on the Michigan National Guard tuition assistance program. The report shall include the following information for the prior fiscal year:

(a) The number of guard members receiving tuition assistance.

(b) The educational institution from which those guard members received education or training under the program.

(c) The total amount of financial assistance received by each educational institution.

(d) The total funds expended on the program for financial assistance.

(e) The total funds expended on the program for administrative costs of the department.

(f) The total number of applications for tuition assistance denied.

(g) A list of any educational institutions and training programs removed from eligibility and the rationale for their removal.

(h) An explanation of any identified barriers to the successful utilization of the program, or other unmet needs of the program and applicable proposals for legislative action to address those barriers and needs.

(5) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited into the restricted Michigan national guard tuition assistance fund created in section 4 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan national guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 309. There is created and established under the jurisdiction and control of the department a revolving account to be known as the test project fees account. All of the fees and other revenues generated from the operation of the test project program shall be deposited in the test project fees account. Funds in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 310. The morale, welfare, and recreation fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The department shall be the administrator of the fund for auditing purposes. All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program shall be deposited in the morale, welfare, and recreation fund. Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the fund at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 311. There is created and established under the jurisdiction and control of the department a revolving account to be known as the rental fees account. All of the fees and other revenues generated from the operation of the rental fees program shall be deposited in the rental fees account. Money in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 312. (1) The department shall maintain the guidelines established under section 251(5) of the Michigan military act, 1967 PA 150, MCL 32.651, for membership goals in the Michigan volunteer defense force and take all steps necessary to carry out and implement those guidelines.

(2) The department shall provide annually by February 1 the report required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

Sec. 313. The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 404. (1) Money privately donated to the department for the MVAA in excess of the appropriation in part 1 is appropriated and is available for expenditure for the benefit and life enrichment of veterans and for the purpose designated by the private source, if specified and in compliance with this section.

(2) Any unexpended and unencumbered private donations to support the MVAA at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(3) The department must submit a report annually that provides the amount of private donations received by the department for the MVAA and the purpose for which the funds will be expended, if known. In addition to the annual report required under this subsection, if a donation described under this section is \$10,000.00 or greater, the department must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds will be expended, if known.

Sec. 405. (1) The MVAA shall provide a report annually on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state operating and administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan Administrative Code.

(d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(3) No later than February 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the emergency grant program, including the following:

(a) Details concerning the methodology of allocations and the selection of emergency grant program authorized agents.

(b) A description of how the emergency grant program is administered in each county.

(c) A detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for operating costs, administrative costs and emergency grants.

(d) The number of approved applications, by category of assistance, and the number of denied applications, by reason of denial.

(e) A description of the MVAA's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus at or above its original amount of \$50,000,000.00.

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92.

(2) The MVAA shall also do the following:

(a) Develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which veterans are entitled.

(c) Fulfill requests for military discharge certificates (DD-214) upon request.

(d) Provide a report annually providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.

(e) Provide a report annually on the percentage of Michigan veterans contacted through its outreach programs, with a goal of 90%, and report that percentage biannually on the status of outreach.

Sec. 408. From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) The MVAA shall coordinate with veteran benefit counselors throughout a specified region.

(b) The MVAA shall coordinate services with the DHHS and the department of corrections.

(c) The MVAA shall coordinate with regional workforce and economic development agencies.

(d) The MVAA shall coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(e) The MVAA may work with MVAA service officers, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(f) The MVAA shall coordinate with the DHHS to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(g) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(h) The MVAA shall ensure that all MVAA service officers and VSO service officers receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

Sec. 410. (1) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall report annually on the number of benefit claims, by type, submitted to the USDVA by MVAA and maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(2) The MVAA shall develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans and shall report information annually on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.

(3) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 411. (1) From the funds appropriated in part 1 for veterans service grants, the MVAA shall establish, administer, and award competitive grants to 1 or more congressionally chartered VSOs or a coalition of VSOs. Grants shall be used to support efforts to connect veterans and their dependents with federal compensation and pension benefits and state veterans' benefits, including emergency grants through the Michigan veterans' trust fund and other local or nonproject assistance that may be available to veterans and their dependents. The competitive grant process shall include all of the following:

(a) Using a regional service delivery model to ensure that veterans and their dependents in this state, including those within tribal communities, are provided with services, advocacy, and outreach as close to the communities in which they live as possible.

(b) Ensure that grantees are providing adequate veteran services and advocacy, through in-person and virtual meetings, that enables the organization to meet performance goals established in the grant agreement.

(c) Foster innovative and transformative approaches and techniques for the grantee to use when providing services, advocacy, and outreach for veterans and their dependents.

(d) Require grantees to use an MVAA-designated internet-based claims data system to manage caseloads. License fees associated with the claims data system described in this subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

(e) A provision that requires grantees, in coordination with the MVAA, to provide services to incarcerated veterans who are within 1 year of their earliest release date.

(f) Ensure that each grantee is issued performance goals.

(g) Ensure that each grantee expends grant awards as prescribed in the grant agreement.

(h) Require each grantee to report not less than quarterly on all of the following:

(i) An accounting for all grant fund expenditures.

(ii) The number and type of claims originated and submitted by the grantee to the USDVA.

(iii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.

(iv) The services provided to veterans and their dependents.

(v) Progress in achieving monthly performance benchmark goals.

(i) Ensure that each grantee is issued monthly performance benchmark goals that each grantee must aim to achieve and require each grantee to report to the MVAA, in order to ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal year.

(2) The MVAA shall do all of the following:

(a) Follow all generally accepted accounting principles in accordance with sections 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

(b) When establishing, modifying, or amending the competitive grant process described in subsection (1), consult and collaborate with congressionally chartered VSOs in the state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to providing services, advocacy, and outreach to veterans and their dependents.

(c) Provide notice to current grantees of any MVAA-proposed modifications or amendments to the competitive grant process and provide those grantees with an opportunity to respond through written communication.

(d) Assess the accuracy rate of claims reported by grantees.

(e) Review and audit grantees' expenditure of grant funds to ensure compliance with the grant agreement, as provided under section 470 of the management and budget act, 1984 PA 431, MCL 18.1470.

(3) By March 1, the MVAA shall provide a report summarizing grant activities for the prior fiscal year, including the amount of expenditures, number of service and advocacy hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(4) From the funds appropriated in part 1 for veterans service grants, \$208,500.00 must be allocated to cover necessary administrative and implementation costs incurred by the MVAA.

(5) The unexpended funds appropriated in part 1 for veterans service grants are designated as a work project appropriation and any unencumbered or unallotted 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.

Sec. 412. The department shall continue to cooperate with DHHS to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health benefits or other benefits and refer those veterans to the department for assistance in securing additional benefits.

Sec. 413. (1) The funds appropriated in part 1 for county veteran service grants must be deposited into the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund are appropriated and available for expenditure as provided by law.

(2) From the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a, \$208,500.00 shall be allocated to the MVAA to cover necessary administrative and implementation costs incurred by the MVAA.

(3) The MVAA shall provide a report by December 31 that includes the following information for the prior fiscal year:

(a) A list of counties that received a grant under this section.

(b) The total amount of grant funding each county received including any amount of funding provided under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL 35.623a.

(c) A summary of each county's expenditures of grant funding.

(d) The amount of any unexpended grant funding disbursed to the counties that has been recovered and returned to the county veteran service fund.

- (e) The balance of the county veteran service fund after the prior fiscal year-end book closing.
- (f) A list of counties that have requested funds in the current fiscal year, the amount requested by each county, and the total of these amounts.
- (g) A list of counties that did not request funds in the current fiscal year.
- (h) The amount of any funds recovered by the MVAA through the MVAA's finding of misused grant funds.
- (i) An explanation of any obstacles or reasons for counties not applying for or spending their eligible amount of grant funding.
- (j) The amount expended by the MVAA for grant administration and implementation costs.

Sec. 414. By February 1, the department shall provide a report on the status of the construction, operations, and finances of the state veterans cemetery funded in article 10 of 2022 PA 166.

Sec. 415. From the funds appropriated in part 1 for Michigan veterans affairs agency administration, the MVAA shall complete a study and submit a report to the recipients required in section 205 of this part by January 1, 2024. The MVAA may partner with any additional stakeholders the MVAA deems necessary for completing the study. The study and report shall include all of the following:

- (a) An analysis on the scope of homelessness among the state's veteran population.
- (b) Challenges to securing housing for homeless veterans.
- (c) Recommendations for future long-term partnerships between the Michigan state housing development authority, the MVAA, municipalities, and nonprofit organizations that could assist in eliminating homelessness among veterans in this state. Recommendations under this subdivision must minimize additional costs to local units of government.

Sec. 416. From the funds appropriated in part 1, the department may contract with or provide grants to local health care providers to accelerate the clinical research and deployment of promising investigational treatments for suicide prevention that have been granted breakthrough therapy designation by the United States Food and Drug Administration and are eligible for expanded access as defined by the United States Food and Drug Administration, specifically for the treatment of post-traumatic stress disorder, major depressive disorder, or treatment-resistant depression in veterans of the United States military and first responders. In addition, from the funds appropriated in part 1, the department may hire up to 3 FTE staff to facilitate and administer this grant program.

MICHIGAN VETERANS' FACILITY AUTHORITY

Sec. 451. (1) Money privately donated to the MVH, the MVFA, or a veterans' facility in excess of the appropriation in part 1 is appropriated and is available for expenditure for the benefit and life enrichment of resident members and for the purpose designated by the private source, if specified and in compliance with this section.

(2) The MVH must submit a report annually that provides the amount of the private donations described under subsection (1) and the purpose for which the funds will be expended, if known. In addition to the annual report required under this subsection, if the MVH, the MVFA, or a veterans' facility receives a private donation that is \$10,000.00 or greater, the MVH must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds are to be expended, if known.

(3) Any unexpended and unencumbered private donations to support the MVH at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 452. (1) The MVH and the MVFA shall provide compassionate and quality nursing care services at each veterans' facility in this state so that resident members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) From the funds appropriated in part 1, the MVFA and the MVH shall provide nursing care services to veterans in accordance with federal standards and report the results of the annual USDVA and CMS surveys and certification as proof of compliance.

(3) Appropriations in part 1 for a veterans' facility shall not be used for any purpose other than expenses related to the operations of the veterans' facility.

Sec. 453. All contractors providing health care services at a veterans' facility shall provide services in a manner that complies with applicable USDVA and CMS regulations for state veterans' homes and skilled nursing facilities, any rules governing the operation of nursing homes licensed in this state, and any training and education requirements associated with staff licensure or certification.

Sec. 456. (1) All complaints of abuse or neglect at a veterans' facility must be reported and investigated in compliance with USDVA and CMS regulations for state veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis the following information:

- (a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at a veterans' facility.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(2) The process by which visitors, resident members, and staff of the veterans' facility may register complaints must be displayed in high-traffic areas throughout the veterans' facility.

Sec. 458. The MVH shall do the following regarding member care:

(a) Provide board-certified psychiatric care for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner.

(b) Provide all resident members and staff a safe and secure environment.

(c) Ensure that the veterans' facility effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and the veterans' facility's internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

Sec. 460. The MVH shall establish and implement internal controls regarding all of the following:

(a) The use and management of food, maintenance, and pharmaceutical and medical supply inventories.

(b) Calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle and ensure that all past due resident member maintenance assessments are addressed within 30 days.

(c) Monetary donations and donated goods.

(d) The handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days after the death of that resident member.

(e) Financial reporting and accounting.

Sec. 461. (1) The MVH shall post on its website the following:

(a) All policies adopted by the MVFA and the veterans' facility related to the administrative operations of the veterans' facility.

(b) The agenda and minutes of public meetings of the MVFA board.

(2) The MVH shall provide a report with copies of each veterans' facility's USDVA State Veteran Home quarterly report. These quarterly reports shall also be posted on the MVH website.

(3) The MVH shall provide bimonthly reports on the following:

(a) Census data for each veterans' facility, including information on level of care, service era of its resident members, payer source, and average income and assessment rate.

(b) Per patient daily care hours provided by each veterans' facility, by level of care.

(c) Financial status of each veterans' facility and central MVFA/MVH administration. Information shall include, but not be limited to, actual year-to-date and projected year-end revenues and expenditures, by fund source.

(4) The MVH shall provide a report on the results of any annual or for-cause survey conducted by any entity with oversight over the veterans' facility and any corresponding corrective action plan. This information shall also be made available publicly through the MVH website.

(5) In addition to the information required under section 12(1) of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.112, the MVFA shall provide a report detailing the strategies and actions taken to maximize revenues from non-general fund sources and cost savings strategies.

Sec. 463. In addition to the funds appropriated in part 1, private revenues held by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are appropriated to pay medical expenses, member assessments, and other expenses incurred by that resident member. Any unexpended or unencumbered private revenues held on a nonfiduciary basis by the MVH at the close of the fiscal year shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

Sec. 464. By March 1, the MVFA shall provide a report on the construction, operation, and finances of the new Marquette veterans home funded in article 14 of 2022 PA 166.

Sec. 465. Except as otherwise provided by law, any unexpended and unencumbered federal revenues received by the MVFA shall not lapse to the state general fund but shall be carried forward into the subsequent fiscal year.

CAPITAL OUTLAY

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions annually.

Sec. 502. (1) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

(2) The department shall provide an annual report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations for special maintenance – veterans’ facility shall be expended in accordance with the requirements of section 452 of this part and shall be expended according to the maintenance priorities of the MVFA to repair and modernize the state’s veterans’ facility, which may include physical plant expansions, renovations, or enhancements, and other projects designed to enhance the quality of life and medical care of resident members.

(2) The MVH shall provide an annual report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at each veterans’ facility funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 504. The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

ONE-TIME APPROPRIATIONS

Sec. 601. (1) From the funds appropriated in part 1 for eliminating veteran homelessness grants, the MVAA shall create and operate a grant program that provides grants of \$150,000.00 to Michigan-based nonprofit organizations that provide, or assist in providing, housing for homeless veterans or their families, or both. The grants must support efforts to reduce or eliminate homelessness among veterans in this state by supporting costs of housing veterans or their families, or both. The MVAA shall develop criteria for determining grant eligibility in accordance with this section. The MVAA shall not award more than 1 grant to any 1 nonprofit organization. A grant must be disbursed within 60 days after the date that the MVAA receives a completed and signed grant agreement from the nonprofit organization requesting the grant. Grant funding must be used to support costs related to housing or other activities that assist homeless veterans and their families to avoid homelessness.

(2) The MVAA shall provide a report by December 31 summarizing grant activities for the fiscal year ending September 30, 2024, and shall include the following information for each grant issued under this grant program:

- (a) The name of the nonprofit organization recipient.
- (b) The location, city, and county of each grant recipient.
- (c) The amount of the grant provided.
- (d) A brief summary of each grant recipient’s expenditures of grant funding.

(3) The unexpended funds appropriated in part 1 for eliminating veteran homelessness grants are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to make grants to Michigan-based nonprofit organizations that provide, or assist in providing, shelter and housing for veterans or their families, or both. The grants must support efforts to reduce or eliminate homelessness among veterans in this state by supporting costs of sheltering and housing veterans or their families, or both.

(b) The project will be accomplished by state employees and grantees.

(c) The total estimated cost of the project is \$2,000,000.00 .

(d) The tentative completion date is September 30, 2028.

(4) As used in this section:

(a) “Veteran” means an individual who served in the United States Armed Forces, including the reserve components and National Guard, and was discharged or released under conditions other than dishonorable. Veteran includes an individual who died while on active duty in the United States Armed Forces.

(b) “Homeless” means that term as defined in section 103 of the McKinney-Vento homeless assistance act of 2009, 42 USC 11302.

Sec. 602. Funds appropriated in part 1 for Selfridge Air National Guard Base must be used to support costs of complying with air installation compatible use zone program requirements and projects to attract new aircraft flying missions to Selfridge Air National Guard Base. Funding must be used for, but is not limited to, improving roadway and vehicle access, environmental assessments and studies, appraisals, repairs, maintenance, and capital improvements to the runway and other infrastructure projects.

ARTICLE 12
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, 2024, from the following funds:

DEPARTMENT OF NATURAL RESOURCES		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,549.3	
GROSS APPROPRIATION	\$	572,248,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		202,600
ADJUSTED GROSS APPROPRIATION	\$	572,045,500
Federal revenues:		
Total federal revenues		122,923,800
Special revenue funds:		
Total local revenues		0
Total private revenues		7,289,200
Total other state restricted revenues		353,778,000
State general fund/general purpose	\$	88,054,500
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	149.1	
Unclassified salaries—FTEs	6.0\$	918,400
Accounting service center		1,501,900
Executive direction—FTEs	11.6	2,286,200
Finance and operations—FTEs	109.5	18,204,800
Gifts and pass-through transactions		5,003,600
Legal services—FTEs	4.0	690,600
Minerals management—FTEs	20.0	3,023,100
Natural resources commission		77,100
Office of public lands—FTEs	4.0	1,459,200
Property management		4,541,200
GROSS APPROPRIATION	\$	37,706,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		202,600
Federal revenues:		
Federal funds		369,300
Special revenue funds:		
Private funds		5,003,600
Deer habitat reserve		162,700
Forest development fund		4,661,800
Forest land user charges		7,900
Forest recreation account		54,200
Game and fish protection fund		8,232,100
Land exchange facilitation and management fund		4,549,600
Local public recreation facilities fund		221,400
Marine safety fund		875,900
Michigan natural resources trust fund		1,634,600
Michigan state parks endowment fund		4,326,700
Michigan state waterways fund		905,100
Nongame wildlife fund		13,700
Off-road vehicle safety education fund		700
Off-road vehicle trail improvement fund		239,500

	For Fiscal Year Ending Sept. 30, 2024	
Park improvement fund	\$	2,090,800
Public use and replacement deed fees		29,500
Recreation improvement account		85,600
Snowmobile registration fee revenue		50,400
Snowmobile trail improvement fund		128,100
Sportsmen against hunger fund		500
Turkey permit fees		79,600
Waterfowl fees		3,400
Wildlife resource protection fund		43,700
State general fund/general purpose	\$	3,733,100
Sec. 103. DEPARTMENT INITIATIVES		
Full-time equated classified positions	21.0	
Great Lakes restoration initiative	\$	2,904,200
Invasive species prevention and control—FTEs	21.0	7,037,100
GROSS APPROPRIATION	\$	9,941,300
Appropriated from:		
Federal revenues:		
Federal funds		2,904,200
Special revenue funds:		
State general fund/general purpose	\$	7,037,100
Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
Full-time equated classified positions	147.3	
Cultural resource management—FTEs	2.0\$	1,000,000
Marketing and outreach—FTEs	88.8	17,152,000
Michigan historical center—FTEs	56.5	8,201,900
Michigan wildlife council		1,400,000
GROSS APPROPRIATION	\$	27,753,900
Appropriated from:		
Federal revenues:		
Federal funds		2,619,800
State park improvement, federal		322,200
Special revenue funds:		
Forest development fund		167,200
Forest recreation account		17,800
Game and fish protection fund		9,126,700
Land exchange facilitation and management fund		49,800
Marine safety fund		38,100
Michigan historical center operations fund		1,216,100
Michigan state parks endowment fund		115,700
Michigan state waterways fund		159,000
Nongame wildlife fund		11,500
Off-road vehicle trail improvement fund		115,300
Park improvement fund		4,295,800
Recreation passport fees		638,200
Snowmobile registration fee revenue		20,600
Snowmobile trail improvement fund		101,900
Sportsmen against hunger fund		250,000
Wildlife management public education fund		1,400,000
Youth hunting and fishing education and outreach fund		41,800
State general fund/general purpose	\$	7,046,400
Sec. 105. WILDLIFE MANAGEMENT		
Full-time equated classified positions	230.5	
Natural resources heritage—FTEs	9.0\$	655,200
Wildlife management—FTEs	221.5	47,084,400
GROSS APPROPRIATION	\$	47,739,600

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Federal revenues:		
Federal funds	\$	26,176,800
Special revenue funds:		
Private funds		315,700
Cervidae licensing and inspection fees		85,100
Deer habitat reserve		1,820,600
Forest development fund		277,600
Game and fish protection fund		12,668,900
Nongame wildlife fund		476,700
Pheasant hunting license fees		175,000
Turkey permit fees		1,091,900
Waterfowl fees		114,100
State general fund/general purpose	\$	4,537,200
Sec. 106. FISHERIES MANAGEMENT		
Full-time equated classified positions	227.5	
Aquatic resource mitigation—FTEs	2.0\$	635,400
Fish production—FTEs	63.0	10,736,100
Fisheries resource management—FTEs	162.5	23,149,300
GROSS APPROPRIATION	\$	34,520,800
Appropriated from:		
Federal revenues:		
Federal funds		11,849,600
Special revenue funds:		
Private funds		136,700
Fisheries settlement		635,300
Game and fish protection fund		20,697,900
Invasive species fund		100
State general fund/general purpose	\$	1,201,200
Sec. 107. LAW ENFORCEMENT		
Full-time equated classified positions	298.0	
Body cameras for conservation officers—FTEs	5.0\$	857,500
General law enforcement—FTEs	293.0	51,479,500
GROSS APPROPRIATION	\$	52,337,000
Appropriated from:		
Federal revenues:		
Federal funds		6,901,700
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection fund		20,846,600
Marine safety fund		1,355,700
Michigan state parks endowment fund		71,400
Michigan state waterways fund		21,700
Off-road vehicle safety education fund		166,100
Off-road vehicle trail improvement fund		2,787,200
Park improvement fund		72,800
Snowmobile registration fee revenue		725,300
Wildlife resource protection fund		1,158,200
State general fund/general purpose	\$	18,058,700

For Fiscal Year
Ending Sept. 30,
2024

Sec. 108. PARKS AND RECREATION DIVISION

Full-time equated classified positions	1,102.4	
Forest recreation and trails—FTEs	86.7	\$ 11,177,600
MacMullan Conference Center—FTEs	15.0	1,225,000
Michigan conservation corps		934,000
Nature awaits—FTEs	13.8	8,000,000
Recreational boating—FTEs	181.3	23,293,100
State parks—FTEs	805.6	99,752,800
GROSS APPROPRIATION	\$	144,382,500
Appropriated from:		
Federal revenues:		
Federal funds		144,200
Michigan state waterways fund, federal		1,695,400
Special revenue funds:		
Private funds		428,300
Forest recreation account		5,888,200
Game and fish protection fund		1,600
MacMullan Conference Center account		1,225,000
Michigan state parks endowment fund		11,431,800
Michigan state waterways fund		21,627,500
Off-road vehicle safety education fund		7,600
Off-road vehicle trail improvement fund		2,193,600
Park improvement fund		83,401,700
Park improvement fund - Belle Isle subaccount		1,201,800
Pure Michigan trails fund		100
Recreation improvement account		576,200
Recreation passport fees		220,300
Snowmobile registration fee revenue		16,500
Snowmobile trail improvement fund		1,979,400
State general fund/general purpose	\$	12,343,300

Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION

Full-time equated classified positions	17.0	
Historical facilities system—FTEs	13.0	\$ 1,884,200
Mackinac Island State Park operations—FTEs	4.0	339,800
GROSS APPROPRIATION	\$	2,224,000
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund		1,672,000
Mackinac Island State Park operation fund		133,900
State general fund/general purpose	\$	418,100

Sec. 110. FOREST RESOURCES DIVISION

Full-time equated classified positions	356.5	
Adopt-a-forest program		\$ 25,000
Cooperative resource programs—FTEs	11.0	1,627,800
Forest fire equipment		931,500
Forest management and timber market development—FTEs	200.0	45,200,400
Forest management initiatives—FTEs	8.5	925,300
Wildfire protection—FTEs	137.0	20,918,100
GROSS APPROPRIATION	\$	69,628,100
Appropriated from:		
Federal revenues:		
Federal funds		5,083,900
Federal national forest timber fund		9,082,100

	For Fiscal Year Ending Sept. 30, 2024
Special revenue funds:	
Private funds	\$ 1,054,900
Commercial forest fund	26,000
Fire equipment fund	668,700
Forest development fund	41,255,300
Forest land user charges	241,200
Game and fish protection fund	811,700
Michigan state waterways fund	54,200
State general fund/general purpose	\$ 11,350,100
Sec. 111. GRANTS	
Dam management grant program	\$ 350,000
Deer habitat improvement partnership initiative	200,000
Federal - clean vessel act grants	400,000
Federal - forest stewardship grants	2,000,000
Federal - rural community fire protection	1,050,000
Federal - urban forestry grants	900,000
Fisheries habitat improvement grants	1,250,000
Grants to communities - federal oil, gas, and timber payments	3,450,000
Grants to counties - marine safety	3,074,700
National recreational trails	3,907,200
Nonmotorized trail development and maintenance grants	200,000
Off-road vehicle safety training grants	60,000
Off-road vehicle trail improvement grants	5,415,500
Recreation improvement fund grants	916,800
Recreation passport local grants	2,000,000
Snowmobile law enforcement grants	380,100
Snowmobile local grants program	7,090,400
Trail easements	700,000
Wildlife habitat improvement grants	1,502,500
GROSS APPROPRIATION	\$ 34,847,200
Appropriated from:	
Federal revenues:	
Federal funds	13,274,600
Special revenue funds:	
Private funds	100,000
Deer habitat reserve	200,000
Game and fish protection fund	2,752,500
Local public recreation facilities fund	2,000,000
Marine safety fund	1,407,300
Off-road vehicle safety education fund	60,000
Off-road vehicle trail improvement fund	5,415,500
Permanent snowmobile trail easement fund	700,000
Recreation improvement account	916,800
Snowmobile registration fee revenue	380,100
Snowmobile trail improvement fund	7,090,400
State general fund/general purpose	\$ 550,000
Sec. 112. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 10,692,600
GROSS APPROPRIATION	\$ 10,692,600
Appropriated from:	
Special revenue funds:	
Commercial forest fund	2,100
Deer habitat reserve	61,600

	For Fiscal Year Ending Sept. 30, 2024
Forest development fund	\$ 1,552,300
Forest land user charges	23,900
Forest recreation account	43,800
Game and fish protection fund	3,878,100
Land exchange facilitation and management fund	30,600
Marine safety fund	163,600
Michigan natural resources trust fund	24,600
Michigan state parks endowment fund	1,344,300
Michigan state waterways fund	506,400
Nongame wildlife fund	30,500
Off-road vehicle safety education fund	10,400
Off-road vehicle trail improvement fund	24,300
Park improvement fund	1,498,600
Pure Michigan trails fund	100
Recreation improvement account	49,200
Snowmobile registration fee revenue	11,600
Snowmobile trail improvement fund	75,500
Sportsmen against hunger fund	600
Turkey permit fees	33,800
Waterfowl fees	3,300
Wildlife resource protection fund	42,100
Youth hunting and fishing education and outreach fund	2,000
State general fund/general purpose	\$ 1,279,300

Sec. 113. CAPITAL OUTLAY (1) RECREATIONAL LANDS AND INFRASTRUCTURE

Federal - land and water conservation fund payments	\$ 12,900,000
Forest development infrastructure	3,250,000
Off-road vehicle trail development and maintenance	1,000,000
Shooting range development, enhancement, and restoration	5,000,000
Snowmobile trail development and maintenance	1,000,000
State game and wildlife area infrastructure	1,500,000
State parks repair and maintenance	20,350,000
Wetland restoration, enhancement and acquisition	2,000,000
GROSS APPROPRIATION	\$ 47,000,000
Appropriated from:	
Federal revenues:	
Federal funds	18,525,000
Special revenue funds:	
Private funds	250,000
Forest development fund	3,250,000
Game and fish protection fund	375,000
Michigan state parks endowment fund	4,500,000
Off-road vehicle trail improvement fund	1,000,000
Other state restricted revenues	250,000
Recreation passport fees	14,350,000
Snowmobile trail improvement fund	1,000,000
State general fund/general purpose	\$ 3,500,000

(2) WATERWAYS BOATING PROGRAM

Local boating infrastructure maintenance and improvements	\$ 3,322,500
State boating infrastructure maintenance	8,152,500
GROSS APPROPRIATION	\$ 11,475,000
Appropriated from:	
Federal revenues:	

	For Fiscal Year Ending Sept. 30, 2024
Federal funds	\$ 1,275,000
Michigan state waterways fund, federal	200,000
Special revenue funds:	
Michigan state waterways fund	10,000,000
State general fund/general purpose	\$ 0
Sec. 114. ONE-TIME APPROPRIATIONS	
Aggregate mapping	\$ 5,000,000
Cultural resource management one-time	1,000,000
Dam management grant program	1,250,000
Forest land management equipment	2,500,000
Fresh water research and innovation center	15,000,000
Great Lakes splash pads	1,000,000
Invasive species prevention and control	2,000,000
Michigan conservation corps	500,000
State water trail organizations	500,000
Swimming pool repair project	200,000
Swimming pool restoration project	5,000,000
Urban and community forestry assistance	7,500,000
Wetland restoration in urban areas	550,000
GROSS APPROPRIATION	\$ 42,000,000
Appropriated from:	
Federal funds	7,500,000
Coronavirus state fiscal recovery fund	15,000,000
Special revenue funds:	
Forest development fund	2,500,000
State general fund/general purpose	\$ 17,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

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 ending September 30, 2024 is \$441,832,500.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2024 is \$15,792,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

<u>DEPARTMENT OF NATURAL RESOURCES</u>	
Dam management grant program	\$ 175,000
Fisheries habitat improvement grants	125,000
Grants to counties – marine safety	1,407,300
Invasive species prevention and control	1,900,000
Local boating infrastructure maintenance and improvements	3,322,500
Nonmotorized trail development and maintenance grants	100,000
Off-road vehicle safety training grants	60,000
Off-road vehicle trail improvement grants	880,200
Recreation improvement fund grants	91,700
Recreation passport local grants	2,000,000
Snowmobile law enforcement grants	380,100
Swimming pool repair project	200,000
Swimming pool restoration project	5,000,000
Wildlife habitat improvement grants	150,300
TOTAL	\$ 15,792,100

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 natural resources.
- (b) “Director” means the director of the department.

(c) “FTE” means full-time equated.

(d) “IDG” means interdepartmental grant.

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 shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, the senate and house fiscal agencies, senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) The funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or the member of the senate or house’s staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall be submitted to the senate and house appropriations committees and to report recipients required in section 205 of this part. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in part 1 shall not be used by the department 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose 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 to report recipients required in section 205 of this part.

Sec. 211. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency authorization. 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. 212. The department shall provide to the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

(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. 213. Within 14 days after the release of the executive budget recommendation, the department shall provide to the chairpersons of the senate and house appropriations committees and to report recipients required in section 205 of this part an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department’s performance.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises as defined in Executive Directive 2019-08 compete for and perform contracts to provide services

or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically-disadvantaged business enterprises as defined in Executive Directive 2019-08 for services or supplies, or both.

Sec. 217. On a quarterly basis, the department shall report to the senate and house appropriations committees and to report recipients required in section 205 of this part a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within part 1 for the particular department, board, commission, officer, or institution.

Sec. 221. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 222. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on natural resources, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 223. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the prior fiscal year and the total number of former department employees that were remitted severance pay during the prior fiscal year.

(2) As used in this section, “severance pay” means compensation that is both payable or paid on the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 224. Appropriations in part 1 shall, to the extent possible for the department, not be expended until all existing work project authorization available for the same purpose is exhausted.

Sec. 225. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community’s access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 226. (1) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of technology, management, and budget:

Game and fish protection fund	\$	588,400
Michigan state waterways fund		140,600
Park improvement fund		447,300
Forest development fund		307,800

(2) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of attorney general:

Game and fish protection fund	\$	670,900
Michigan state waterways fund		148,700

(3) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the legislative auditor general:

Game and fish protection fund	\$	34,800
Michigan state waterways fund		12,600

(4) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of treasury:

Game and fish protection fund	\$	3,621,700
Michigan state waterways fund		429,800
Michigan natural resources trust fund		3,354,500

(5) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds to the civil service commission the amount calculated for each fund pursuant to section 5 of article XI of the state constitution of 1963:

- (a) Michigan conservation and recreation legacy fund.
- (b) Forest development fund.
- (c) Michigan natural resources trust fund.
- (d) Michigan state parks endowment fund.
- (e) Nongame wildlife fund.

Sec. 227. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2024.

Sec. 228. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural resource-related programs.

Sec. 229. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, preference must be given to goods or services, or both, that are energy efficient and minimize noise pollution, if they are competitively priced and of comparable quality.

Sec. 230. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 240. (1) In addition to increasing the capacity to address the existing archeological responsibilities of the department within the Michigan History Center, the funds appropriated in part 1 for cultural resource management and cultural resource management one-time shall be utilized to establish an ongoing process of increased consultation with known lineal descendants and officials of Native American tribes on whose aboriginal lands a planned archeological activity will occur or an inadvertent discovery has been made. The consultation shall address the identification, treatment, and disposition of Native American cultural items.

(2) The department is encouraged to, whenever possible, repatriate or transfer from its collections Native American cultural items, including human remains, funerary objects, sacred objects, and objects of cultural patrimony, to the lineal descendants and to Native American tribes described in subsection (1).

Sec. 242. The funds appropriated in part 1 shall not be used to consolidate the testing laboratories for the department of natural resources.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

Sec. 252. (1) In addition to the funds appropriated in part 1, revenue deposited in the invasive species fund created in section 41311 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.41311, is appropriated and may be expended for invasive species immediate response efforts.

(2) The department shall annually notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of any expenditure of funds appropriated under subsection (1).

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2024, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. To the extent consistent with part 21, fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

Sec. 304. In addition to the funds appropriated in part 1, the department may receive and expend money from state restricted sources to pay vendor costs associated with administering sales of carbon offset credits.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 408. By December 1, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the prior fiscal year. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

PARKS AND RECREATION DIVISION

Sec. 501. The unexpended funds appropriated in part 1 for nature awaits are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support the nature awaits program in the parks and recreation division.
- (b) The project will be accomplished by utilizing state employees, contracts, and grants.
- (c) The total estimated cost of the project is \$8,000,000.00.
- (d) The tentative completion date is September 30, 2028.

FOREST RESOURCES DIVISION

Sec. 802. (1) From the funds appropriated in part 1, the department shall provide an annual report on the number of acres of state forestland prepared for timber harvesting.

(2) By January 1 each year, the department shall complete and deliver the report to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house with primary responsibility for natural resources issues. The report must contain the following information:

- (a) The number of acres prepared in the prior fiscal year.
- (b) The number of acres sold in the prior fiscal year.
- (c) The amount of revenue generated by the sale and harvesting of state land in the prior fiscal year.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires and hazard incidents as required by a compact with the federal government. If additional expenditure authorization is required, the department shall so notify the state budget office. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 15 of the expenditures under this section during the prior fiscal year.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By

November 30, 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 prior fiscal year.

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 APPROPRIATIONS

Sec. 1201. (1) The unexpended funds appropriated in part 1 for aggregate mapping are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to map aggregate deposits in this state.

(b) The project will be accomplished by contracting with the Michigan Geological Survey at Western Michigan University.

(c) The total estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

(2) The department shall prepare a report detailing progress made on mapping aggregate deposits in this state. The report shall be transmitted to the report recipients required in section 205 of this part.

Sec. 1202. The unexpended funds appropriated in part 1 for the dam management grant program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for dam management grants.

(b) The project will be accomplished by utilizing state resources, grants, or contracts.

(c) The total estimated cost of the project is \$1,250,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1203. The unexpended funds appropriated in part 1 for forest land management equipment are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to acquire new forest land management equipment.

(b) The project will be accomplished by utilizing state resources or contracts.

(c) The total estimated cost of the project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1204. The funds appropriated in part 1 for freshwater research and innovation center shall be awarded to a tax exempt organization under section 501(c)(3) of the internal revenue code, 42 USC 501(c)(3), located in a charter township with a population of between 4,890 and 4,900 and in a county with a population of between 22,000 and 22,500 according to the most recent federal decennial census, the mission of which is to connect people of all ages, abilities, and needs to the Great Lakes through recreation, education, history, science, and stewardship. These funds shall be expended to establish a freshwater research and innovation center.

Sec. 1205. From the 1-time appropriation in part 1 for invasive species prevention and control, \$1,500,000.00 from the general fund/general purpose revenue shall be deposited into the invasive species fund created in section 41311 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.41311, for the fiscal year ending September 30, 2024.

Sec. 1206. The unexpended funds appropriated in part 1 for state water trail organizations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support state water trail organizations.

(b) The project will be accomplished by awarding grants of \$50,000.00 each to organizations representing state water trails. The grant money shall not be expended to employ permanent staff.

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1207. The funds appropriated in part 1 for swimming pool repair project shall be awarded to a city with a population of between 20,640 and 20,650 and in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census to repair a public swimming pool.

Sec. 1208. The funds appropriated in part 1 for swimming pool restoration project shall be awarded to a city with a population of between 112,640 and 112,650 and in a county with a population between 284,895 and 284,905 according to the most recent federal decennial census to restore a public swimming pool listed on the National Register of Historic Places.

Sec. 1209. The unexpended funds appropriated in part 1 for urban and community forestry assistance are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to increase equitable access to urban tree canopy and associated human health benefits, broaden community engagement in local urban forest planning, and improve resilience to climate change.

(b) The project will be accomplished by utilizing state employees, contracts, and grants.

(c) The total estimated cost of the project is \$7,500,000.00.

(d) The tentative completion date is September 30, 2028.

ARTICLE 13

MICHIGAN NATURAL RESOURCES TRUST FUND

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for certain capital outlay projects for the fiscal year ending September 30, 2023, from the following funds:

CAPITAL OUTLAY

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	23,306,200
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	23,306,200
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		23,306,200
State general fund/general purpose	\$	0

Sec. 102. MICHIGAN NATURAL RESOURCES TRUST FUND

Trust fund acquisition projects by priority:

Edward B Wojan Park expansion, Charlevoix County (grant-in-aid to St. James Township) (#22-0215)	\$	525,000
Jaxon Creek headwaters, Grand Traverse County (#22-0178)		650,000
Sturgeon River corridor acquisition, Otsego County (#22-0217)		1,750,000
Rosy Mound acquisition, Ottawa County (grant-in-aid to Ottawa County) (#22-0039)		1,650,000
Crow Island State Game Area addition, Bay County (#22-0135)		1,300,000
Portland State Game Area addition, Ionia County (#22-0137)		700,000
Fort Wilkins - Keweenaw Point acquisition, Keweenaw County (#22-0165)		5,000,000
Paw Paw River land acquisition, Van Buren County (#22-0194)		900,000
Saline Preserve acquisition, Washtenaw County (grant-in-aid to Washtenaw County) (#22-0154)		541,800
Almont Community Park expansion, Lapeer County (grant-in-aid to village of Almont) (#22-0206)		75,000
Lakeshore Campground acquisition, Schoolcraft County (grant-in-aid to city of Manistique) (#22-0216)		345,000
Berston property acquisition, Genesee County (grant-in-aid to Genesee County) (#22-0071)		18,000
Iron Ore Heritage Trail - single track trail acquisition, Marquette County (grant-in-aid to Iron Ore Heritage Recreation Authority) (#22-0047)		150,700

	For Fiscal Year Ending Sept. 30, 2023
Rouge River acquisition, Oakland County, (grant-in-aid to village of Beverly Hills) (#22-0048)	1,000,000
Backus Creek State Game Area addition, Roscommon County (#22-0133)	398,000
Trust fund development projects by priority:	
Finn Road Park and lake access improvements, Bay County (grant-in-aid to Hampton Charter Township) (#22-0176)	\$ 253,000
North Country Trail connection and trailhead, Kalkaska County (grant-in-aid to village of Kalkaska) (#22-0051)	300,000
Delhi Metropark canoe and kayak launch renovation, Washtenaw County (grant-in-aid to Huron-Clinton Metropolitan Authority) (#22-0016)	300,000
McCoy Creek Trail extension to River St. Joe Brewery, Berrien County (grant-in-aid to city of Buchanan) (#22-0097)	300,000
Northern Tier Trail extension to Coolidge Road, Clinton County (grant-in-aid to city of East Lansing) (#22-0175)	300,000
Smiths Crossing historic bridge renovation, Midland County (grant-in-aid to Midland County) (#22-0191)	300,000
Iron Ore Heritage Trail extension to Lakenenland, Marquette County (grant-in-aid to Iron Ore Heritage Recreation Authority) (#22-0040)	300,000
Ott Preserve Iron Belle trailhead improvements, Calhoun County (grant-in-aid to Calhoun County) (#22-0105)	250,800
Martin Luther King Jr. Equality Trail project, Jackson County (grant-in-aid to city of Jackson) (#22-0121)	300,000
Michigan State University to Lake Lansing connector trail, Lake Lansing Park North, Ingham County (grant-in-aid to Ingham County) (#22-0076)	300,000
Riverwalk Trail and Crooked Bridge restoration, Bay County (grant-in-aid to city of Bay City) (#22-0199)	300,000
North Channel County Park improvements, St. Clair County (grant-in-aid to St. Clair County) (#22-0008)	270,000
Pentoga Park boat launch and Iron Belle trailhead, Iron County (grant-in-aid to Iron County) (#22-0084)	120,700
Bennett Park renovations and Huron River Water Trail access, Livingston County (grant-in-aid to Hamburg Township) (#22-0107)	300,000
Ottawa Sands Lake Loop and Idema Explorers Connector, Ottawa County (grant-in-aid to Ottawa County) (#22-0153)	300,000
Bangor Township Park and river access improvement, Bay County (grant-in-aid to Bangor Charter Township) (#22-0163)	210,100
Grand Rogue Park - Rogue River water access, Kent County (grant-in-aid to Plainfield Charter Township) (#22-0164)	300,000
Pioneer Park bath house, Muskegon County (grant-in-aid to Muskegon County) (#22-0044)	300,000
Albion River Trail expansion, Calhoun County (grant-in-aid to city of Albion) (#22-0139)	300,000
Richfield Park improvements along the Iron Belle Trail, Genesee County (grant-in-aid to Genesee County) (#22-0035)	300,000
Blue Star Trail Washington Street to Maple Street, Allegan County (grant in-aid to city of Saugatuck) (#22-0053)	300,000
Memory Isle Park improvements, St. Joseph County (grant-in-aid to city of Three Rivers) (#22-0118)	97,600
Pere Marquette Park restroom concession building, Muskegon County (grant-in-aid to city of Muskegon) (#22-0119)	300,000
Bayfront restroom amenities, Grand Traverse County (grant-in-aid to city of Traverse City) (#22-0162)	200,500
Orchard Beach State Park day use playground, Manistee County (grant in aid to Manistee Township) (#22-0085)	300,000

	For Fiscal Year Ending Sept. 30, 2023
Gladwin City Park improvements, Gladwin County (grant-in-aid to city of Gladwin) (#22-0182)	\$ 300,000
Evergreen Park Water Trail access and park improvements, Sanilac County (grant-in-aid to Sanilac County) (#22-0179)	300,000
Veterans Park Hamtramck Stadium restroom renovation, Wayne County (grant-in-aid to city of Hamtramck) (#22-0186)	300,000
Railroad Point water access, Benzie County (grant-in-aid to Benzie County) (#22-0129)	300,000
Hawk Island Park boardwalk replacement, Ingham County (grant-in-aid to Ingham County) (#22-0077)	300,000
GROSS APPROPRIATION	\$ 23,306,200
Appropriated from:	
Special revenue funds:	
Michigan natural resources trust fund	23,306,200
State general fund/general purpose	\$ 0

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2023

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state resources in this appropriation act for the fiscal year ending September 30, 2023 is \$23,306,200.00. State appropriations paid to local units of government are \$12,608,200.00 as follows:

Acquisition grants-in-aid	\$ 4,305,500
Development grants-in-aid	8,302,700
Total payments to locals	\$ 12,608,200

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

MICHIGAN NATURAL RESOURCES TRUST FUND

Sec. 301. (1) The department of natural resources shall enter into agreements with local units of government to administer the grants identified in part 1. Among other provisions, the agreements must require that grant recipients agree to dedicate to public outdoor recreation uses in perpetuity the land acquired or developed; to replace lands converted or lost to other than public outdoor recreation use; and, for parcels acquired that are larger than 5 acres, to provide this state with a nonparticipating 1/6 minimum royalty interest in any acquired minerals that are retained by the grant recipient.

(2) The agreements under subsection (1) must also provide that the full payments of grants be made only after proof of acquisition, or proof of completion of the development project, is submitted by the grant recipient and all costs are verified by the department of natural resources. This requirement may be waived by the department of natural resources.

Sec. 302. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 303. (1) The state share of the following capital outlay appropriation authorized in 2020 PA 145 for Michigan natural resources trust fund projects that has since been withdrawn by the grantee is reduced up to the amount indicated and the money lapsed for the purpose of redirecting resources to Michigan natural resources trust fund projects appropriated in part 1:

Stanton State Game Area acquisition, Montcalm County (#19-0143)	\$ 550,000
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(2) The state share of the following capital outlay appropriation authorized in 2021 PA 9 for Michigan natural resources trust fund projects that has since been withdrawn by the grantee is reduced up to the amount indicated and the money lapsed for the purpose of redirecting resources to Michigan natural resources trust fund projects appropriated in part 1:

Kayak Point Park development, Oakland County (grant-in-aid to city of Auburn Hills) (#20-0098)	\$ 192,600
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(3) Any money lapsed under subsection (1) or (2) must be returned to the fund from which originally appropriated and is available for reappropriation.

ARTICLE 14
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, 2024, from the following funds:

DEPARTMENT OF STATE POLICE		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	3.0	
Full-time equated classified positions	3,829.0	
GROSS APPROPRIATION	\$	893,341,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		26,244,400
ADJUSTED GROSS APPROPRIATION	\$	867,096,700
Federal revenues:		
Total federal revenues		88,805,100
Special revenue funds:		
Total local revenues		4,904,800
Total private revenues		35,000
Total other state restricted revenues		165,787,800
State general fund/general purpose	\$	607,564,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	3.0	
Full-time equated classified positions	143.0	
Unclassified salaries—FTEs	3.0\$	564,400
Department services—FTEs	19.0	7,878,500
Departmentwide		52,184,100
Executive direction—FTEs	46.0	7,574,900
Mobile office and system support—FTEs	39.0	5,925,800
Professional development bureau—FTEs	39.0	12,209,600
GROSS APPROPRIATION	\$	86,337,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections, contract		26,000
IDG from department of transportation, state trunkline fund		41,100
IDG from department of treasury, casino gaming fees		405,500
IDG, training academy charges		192,200
Intradepartmental transfers		55,600
Federal revenues:		
DHS		23,800
DOJ		12,800
DOJ, interest bearing		9,900
DOT		2,163,200
Federal indirect funds		1,364,600
Special revenue funds:		
Local funds - AFIS fees		100
Local funds - LEIN fees		800
Local funds - reimbursed services		300
Local funds - school bus revenue		7,200
Auto theft prevention fund		31,000
Criminal justice information center service fees		2,584,600
Drunk driving prevention and training fund		431,200
Forensic science reimbursement fees		50,300
Hazardous materials training center fees		50,700
Highway safety fund		263,100
Marihuana regulatory fund		261,600

	For Fiscal Year Ending Sept. 30, 2024	
Michigan justice training fund	\$	3,700
Michigan merit award trust fund		16,100
Motor carrier fees		351,200
Narcotics-related forfeiture revenue		400
Nuclear plant emergency planning reimbursement		23,000
Precision driving track fees		800
Reimbursed services		300
Secondary road patrol and training fund		100
Sex offenders registration fund		800
State forensic laboratory fund		88,900
State police administrator and coordinator 911 fund		25,800
State police service fees		400
State services fee fund		213,000
Tobacco tax revenue		113,800
Traffic law enforcement and safety fund		487,300
Truck driver safety fund		1,600
Vehicle sales proceeds		450,000
State general fund/general purpose	\$	76,584,500
Sec. 103. LAW ENFORCEMENT SERVICES		
Full-time equated classified positions	606.0	
Biometrics and identification—FTEs	60.0	\$ 11,342,700
Criminal justice information center—FTEs	154.0	26,852,500
Forensic science—FTEs	283.0	49,006,000
Grants and community services—FTEs	60.0	19,980,400
Office of school safety—FTEs	6.0	1,354,800
State 911 administration—FTEs	5.0	1,126,500
Training operations—FTEs	38.0	8,084,400
Trooper recruit school onboarding, training, and outfitting		5,000,000
GROSS APPROPRIATION	\$	122,747,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state		396,500
IDG from department of transportation, state trunkline fund		741,500
IDG, training academy charges		2,791,600
Intradepartmental transfers		750,000
Federal revenues:		
DOJ		8,716,100
DOJ, interest bearing		4,007,300
DOT		669,200
Special revenue funds:		
Local funds - SRMS fees		919,200
Private donations		20,000
Auto theft prevention fund		8,226,800
Criminal justice information center service fees		22,534,800
Drunk driving prevention and training fund		200,800
Forensic science reimbursement fees		1,002,000
Motor carrier fees		139,800
Precision driving track fees		335,100
Sex offenders registration fund		391,800
State forensic laboratory fund		767,600
State police administrator and coordinator 911 fund		1,126,500
State services fee fund		7,988,600
Student safety fund		250,000
Traffic crash revenue		366,100
State general fund/general purpose	\$	60,406,000

For Fiscal Year
Ending Sept. 30,
2024

Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Full-time equated classified positions	27.0	
De-escalation training	\$	500,000
In-service training—FTEs	7.0	18,240,000
Justice training grants		10,000,000
Public safety officers benefit fund—FTE	1.0	303,000
Standards and training—FTEs	19.0	3,926,200
Training only to local units		855,000
GROSS APPROPRIATION	\$	33,824,200
Appropriated from:		
Federal revenues:		
DOJ		278,400
Special revenue funds:		
Law enforcement officers training fund		25,000
Marihuana regulatory fund		3,272,000
Michigan justice training fund		10,000,000
Private security licensing fees		5,000
Retired law enforcement officer safety fund		25,000
Secondary road patrol and training fund		855,000
State general fund/general purpose	\$	19,363,800

Sec. 105. FIELD SERVICES

Full-time equated classified positions	2,428.0	
Investigative services—FTEs	148.5\$	39,726,400
Post operations—FTEs	2,249.5	398,922,000
Secure cities partnership—FTEs	30.0	9,631,400
GROSS APPROPRIATION	\$	448,279,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of treasury, casino gaming fees		5,774,600
Intradepartmental transfers		1,126,700
Federal revenues:		
DOJ		5,378,000
DOT		1,149,100
Forfeiture revenue		544,100
Reimbursed services, federal investigations		3,173,500
Special revenue funds:		
Local funds - reimbursed services		1,235,400
Bottle bill enforcement fund		770,000
Highway safety fund		8,970,700
Marihuana regulation fund		2,393,300
Marihuana regulatory fund		3,121,800
Michigan merit award trust fund		854,900
Narcotics-related forfeiture revenue		1,538,200
Nonnarcotic forfeiture revenue		50,600
State police service fees		3,752,200
State services fee fund		1,028,600
Tobacco tax revenue		5,076,300
Traffic law enforcement and safety fund		24,437,100
Trooper school recruitment fund		5,073,900
State general fund/general purpose	\$	372,830,800
Sec. 106. SPECIALIZED SERVICES		
Full-time equated classified positions	625.0	
Commercial vehicle enforcement—FTEs	211.0\$	38,420,900

		For Fiscal Year Ending Sept. 30, 2024
Emergency management and homeland security—FTEs	64.0	16,709,700
Hazardous materials programs—FTEs	25.0	23,596,000
Highway safety planning—FTEs	25.0	16,858,000
Intelligence operations—FTEs	224.0	32,811,600
Secondary road patrol program—FTE	1.0	15,000,000
Special operations—FTEs	75.0	16,474,100
GROSS APPROPRIATION	\$	159,870,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		11,275,100
IDG from department of treasury, public safety answer point training 911 fund		100,000
Intradepartmental transfers		2,047,300
Federal revenues:		
DHS		31,740,100
DOT		27,663,000
Special revenue funds:		
Local funds - school bus revenue		1,790,100
Private donations		15,000
Bottle bill enforcement fund		230,000
Criminal justice information center service fees		419,100
Hazardous materials training center fees		749,700
Marihuana regulation fund		253,400
Marihuana regulatory fund		388,800
Motor carrier fees		8,801,700
Nuclear plant emergency planning reimbursement		2,414,500
Reimbursed services		1,235,300
Rental of department aircraft		51,500
Secondary road patrol and training fund		15,000,000
State police dispatch operator 911 fund		681,900
Truck driver safety fund		3,974,600
State general fund/general purpose	\$	51,039,200
Sec. 107. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	28,940,300
GROSS APPROPRIATION	\$	28,940,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		364,700
IDG from department of treasury, casino gaming fees		122,800
IDG, training academy charges		11,500
Intradepartmental transfers		21,700
Federal revenues:		
DHS		119,400
DOJ		580,400
DOT		260,600
Special revenue funds:		
Local funds - AFIS fees		80,000
Local funds - LEIN fees		851,300
Local funds - school bus revenue		20,400
Auto theft prevention fund		6,200
Criminal justice information center service fees		9,279,300
Drunk driving prevention and training fund		3,600
Forensic science reimbursement fees		76,500
Highway safety fund		92,400

	For Fiscal Year Ending Sept. 30, 2024
Marihuana regulatory fund	\$ 773,700
Michigan merit award trust fund	3,400
Motor carrier fees	420,500
Nuclear plant emergency planning reimbursement	12,800
Sex offenders registration fund	228,400
State forensic laboratory fund	113,000
State police administrator and coordinator 911 fund	7,200
State police dispatch operator 911 fund	68,900
State services fee fund	84,400
Tobacco tax revenue	21,400
Traffic crash revenue	246,900
Traffic law enforcement and safety fund	119,500
State general fund/general purpose	\$ 14,949,400
Sec. 108. ONE-TIME APPROPRIATIONS	
Community-based crisis response pilot grants	\$ 1,500,000
Contracts and services	1,600,000
Emergency alert system upgrades	1,500,000
Firearms safety	500,000
Gun violence prevention	2,151,600
MCOLES active shooter response training	1,300,000
Trooper school	4,790,300
GROSS APPROPRIATION	\$ 13,341,900
Appropriated from:	
Federal revenues:	
DOJ	951,600
State general fund/general purpose	\$ 12,390,300

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$773,351,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$42,391,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE	
Community-based crisis response pilot grants	\$ 1,450,000
Firearms safety	500,000
In-service training	14,586,000
Justice training grants	10,000,000
Secondary road patrol program	15,000,000
Training only to local units	855,500
TOTAL	\$ 42,391,500

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) “AFIS” means the automated fingerprint identification system.
 - (b) “CJIS” means Criminal Justice Information Systems.
 - (c) “Department” means the department of state police.
 - (d) “DHS” means the United States Department of Homeland Security.
 - (e) “Director” means the director of the department.
 - (f) “DNA” means deoxyribonucleic acid.
 - (g) “DOJ” means the United States Department of Justice.
 - (h) “DOT” means the United States Department of Transportation.
 - (i) “DTMB” means the department of technology, management, and budget.

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

(k) "IDG" means interdepartmental grant.

(l) "LEIN" means the law enforcement information network.

(m) "MCOLES" means the Michigan commission on law enforcement standards created in section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.603.

(n) "SIGMA" means the statewide integrated governmental management application.

(o) "SRMS" means the state records management system.

(p) "Subcommittees" means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement must include transmission of reports via email to the recipients identified for each reporting requirement and it must include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) Funds appropriated in part 1 must 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.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or a departmental agency in the state classified civil service because the employee communicates with a member of the legislature or a member's staff, unless the communication is prohibited by law and the department or departmental agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report must be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report must be submitted to the senate and house appropriations committees and to recipients required under section 205. The report must include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in this part and part 1 must not be used by the department or a state agency 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency authorization. Authorized 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 \$4,000,000.00 for state restricted contingency authorization. Authorized 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. 212. The department shall cooperate with the DTMB to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

(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. 213. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the subcommittees, 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 prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that geographically-disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with geographically-disadvantaged business enterprises for services or supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined in Executive Directive No. 2019-08.

Sec. 216. On a quarterly basis, the department shall report the following information to the recipients required under section 205:

(a) The number of FTE positions in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period.

Sec. 217. Appropriations in part 1 must, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, inter-transfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. The department shall report not later than April 1 on each specific policy change made to implement a public act affecting the department that was enacted and took effect during the prior calendar year to the senate and house appropriations committees, the joint committee on administrative rules, and the recipients required under section 205.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees and to recipients required under section 205 any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023, and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

Sec. 223. (1) No funding appropriated in part 1 may be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 224. The department shall provide biannual reports to the recipients required under section 205 that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report must include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 225. Based on the availability of federal funding and demonstrated need, as indicated by applications submitted to the state court administrative office, the department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 226. The department shall notify the subcommittees, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies when it recommends to close or consolidate any state police post. The notification must include a local and state impact study of the proposed post closure or consolidation.

Sec. 227. If the department presents a plan to the state employer to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan must include the criteria under which the privatization initiative will be evaluated. The evaluation must be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 228. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel. All costs incurred in providing the services are eligible for reimbursement.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(6) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

Sec. 229. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 230. The department may establish and collect fees for publications, videos, conferences, workshops, and related materials. Collected fees must be used to offset expenditures for costs of the publications, videos, workshops, conferences, and related materials. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 231. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department under this section that is unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

(3) Private revenues received under this section that exceed the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(4) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of the approval, and the projected use of the funds to be expended.

Sec. 232. (1) Federal revenues authorized by and available from the federal government in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements. The total amount of federal revenues that may be received and expended under this section and section 704(3) must not exceed \$105,000,000.00.

(2) The department shall notify the subcommittees and the senate and house fiscal agencies before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

Sec. 233. It is the intent of the legislature that the department shall take all steps necessary to protect the data and privacy of citizens who are not the focus of a departmental investigation and to protect personal information from unauthorized access or misuse. This includes, but is not limited to, requiring vendors or

service providers to protect data shared with them, ensuring that when personal data is collected, but no longer utilized by the department, that reasonable steps be taken to securely destroy records containing personal information when it is to be discarded so that the information is rendered indecipherable and is not sold for marketing or other purposes. In addition, the department shall provide written notification to any data subject whose sensitive personal information is accessed or acquired by an unauthorized person.

Sec. 234. A law enforcement officer funded under part 1 shall not be required to issue a predetermined or specified number of citations for violations of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or of local ordinances substantially corresponding to provisions of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, including parking or standing violations. A law enforcement officer's performance evaluation system shall not require a predetermined or specified number of citations to be issued.

Sec. 235. In collaboration with the Michigan department of health and human services and the Michigan department of education, the department shall advise on initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

- (a) Utilization of trauma-informed practices.
- (b) Age-appropriate education and information on human trafficking.
- (c) Age-appropriate education and information on sexual abuse prevention.

Sec. 236. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow state procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If no legislative sponsor is identified prior to January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants identified in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) The grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website no later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) From the funds appropriated in part 1 for the professional development bureau, the department may provide or obtain the following training:

(a) Training that directly relates to the individual's job description and role within the department.

(b) Professional development training.

(c) Training that provides the individual with the ability to seek expanded opportunities within the department.

(d) Advanced education training.

(e) De-escalation training.

(2) Not later than January 1, 2025, the department shall submit a report to the senate and house appropriations committees and to recipients required under section 205 that includes the following information about the funds appropriated in part 1 for the professional development bureau:

(a) The training courses that the department's employees completed.

(b) If a training course is developed by the department, a description of that course's curriculum and its purpose.

(c) The number of the department's employees who have received and completed training pursuant to this section.

Sec. 302. (1) From the funds appropriated in part 1, the department shall, in collaboration with the department of civil rights and MCOLES, provide the following training to local police departments or officers free of charge:

(a) Cultural awareness and competency.

(b) Tolerance, diversity, and implicit bias.

(c) Conflict management and de-escalation.

(d) Use of force on vulnerable individuals, including children, individuals with disabilities, individuals with unmet mental health needs, individuals under the influence of substances, and pregnant individuals.

(e) Mental health and wellness for law enforcement officers.

(2) The training provided under subsection (1) may be offered online in order to facilitate easy access and may be given by department staff, contractors, or external vendors.

(3) On a quarterly basis, the department shall report to the recipients required under section 205 on the number of officers, by police department, that received training under this section.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data, as provided under section 224, for days of training being conducted by the academy.

(3) The department shall submit a report to the recipients required under section 205 within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report must include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies. The department shall report the number of these outreach activities conducted, as provided under section 224.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of \$15.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of \$0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) By March 1, the department shall submit a report to the recipients required under section 205 detailing the number of traffic crash reports provided, the amount of revenue collected, and all expenditures incurred for activities under subsection (5) in the preceding fiscal year. The report must include an analysis of whether revenue from department activities under subsection (5) is sufficient to offset all costs incurred for those activities and must provide information regarding any deficit or surplus of revenue.

(7) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(8) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure, as provided in 1927 PA 372, MCL 28.421 to 28.435.

(9) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT), as provided in section 224.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing and analysis/profiling of DNA evidence to aid in law enforcement investigations in this state.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with the average annual caseload received by the forensic science division during the preceding 5 fiscal years, and shall work to achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 224:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated biometric identification system, statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, as provided in section 224.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with the average annual caseload received during the preceding 5 fiscal years, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1, the department shall submit a report to the recipients required under section 205 that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the prior fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the prior fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the prior fiscal year.

(d) Sexual assault kit analysis backlog at the end of the prior fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the prior fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, as well as the department's community policing efforts.

(c) Administration of the office of school safety.

(d) Administration and outreach of the OK2SAY program.

Sec. 407. Not later than March 30, the office of school safety shall provide a school safety report to the legislature and the senate and house fiscal agencies that must include the following:

(a) Reports of incidents of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).

(b) Reports of OK2SAY-based incidences and activities.

(c) Based upon an evaluation of school safety incidents and analysis of school safety grants, recommendations on best practices and other safety measures to ensure school safety in this state.

Sec. 408. The unexpended and unencumbered general fund/general purpose funds appropriated in part 1 for trooper recruit school onboarding, training, and outfitting must not lapse to the general fund at the end of the fiscal year but must be deposited into the trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819b.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and licensure 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.

Sec. 502. The general fund/general purpose funds appropriated in part 1 for the public safety officers benefit fund must be deposited into the public safety officers benefit fund created in section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633. All funds in the public safety officers benefit fund are appropriated and available for expenditure in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633.

Sec. 503. Funds appropriated in part 1 for in-service training must be deposited into the law enforcement officers training fund created in section 11(7) of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611. All funds in the law enforcement officers training fund are appropriated and available for expenditure to support the implementation of required annual in-service training standards for all licensed law enforcement officers, in accordance with rules promulgated under section 11(2) of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611.

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, are not 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. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall report on the number of residence checks of registered sex offenders conducted, as provided under section 224.

(4) The department shall submit a report to the recipients required under section 205 on or before April 15 regarding the secure cities partnership during the prior calendar year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as the average annual number provided during the preceding 5 fiscal years.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall provide training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, legal issues, opioid-related investigations, and other emerging law enforcement issues.

(5) The department shall maintain the staffing and resources necessary to investigate the average annual number of opioid-related investigations conducted by multijurisdictional task forces and hometown security teams during the preceding 5 fiscal years. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in this state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, and by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the senate and house appropriations subcommittees on general government and to the recipients required under section 205 that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

Sec. 604. (1) The department shall provide fire investigation training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the average annual number of requests for fire investigation services that occurred during the preceding 5 fiscal years, and shall be available for call out statewide 100% of the time.

Sec. 605. (1) From the funds appropriated in part 1, the department shall make an organized, strategic effort to recruit trooper school candidates and other new employees that mirror the diverse racial, religious, and cultural backgrounds that make up the communities in Michigan, including individuals who are Black, Jewish, Native American, LGBTQ+, Indian/Hindu, Hispanic, Arab/Muslim, and Asian and Pacific Islander. An annual report of these recruiting efforts, along with the status of the diversity of current racial, religious, and cultural backgrounds of those employed by the department, must be reported to the subcommittees not later than April 15 of each year.

(2) The department may use the funds appropriated in part 1 that represent attrition savings to offset the cost of recruiting efforts described under subsection (1).

SPECIALIZED SERVICES

Sec. 701. (1) The department shall operate the Michigan intelligence operations center for homeland security as this state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats, as reported to or discovered by the Michigan intelligence operations center for homeland security, and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to complete the average annual number of cases completed by the computer crimes unit during the preceding 5 fiscal years. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to complete the average annual casework that the Michigan cyber command center completed during the preceding 5 fiscal years.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state, in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the average annual number of requests for specialty services which occurred during the preceding 5 fiscal years.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) The department shall maintain the staff and resources necessary to provide security services at the State Capitol Complex facilities, the State Secondary Complex, and other state-owned or leased properties, as provided under section 6c of 1935 PA 59, MCL 28.6c. The department shall also maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Townsend Parking Ramp, Roosevelt Parking Ramp, and other areas as directed. The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; new entrant operations; commercial driver licenses; and inspections pursuant to the federal motor carrier assistance program.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, shall be expended in accordance with that act. Unexpended and unencumbered revenues must not lapse to the general fund but must be carried forward into the subsequent fiscal year.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of this state in which the governor proclaims a state of emergency or state of disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director, as soon as possible, a complete report of all actions taken under the authority of this section. The report must contain, as a separate item, a statement of all money expended that is not reimbursable from federal funding. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the funds appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in SIGMA is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of the funds to be expended under the authorization. The total amount of federal revenues that may be received and expended under this section and section 232 must not exceed \$105,000,000.00.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) If, in a particular month, expenditures are made from the disaster and emergency contingency fund, the department shall submit a report for that month to the senate and house fiscal agencies detailing the purpose of the expenditures. The monthly report required under this subsection must be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) The department shall track and report on a biannual basis, as provided in section 224 of this part, the status of the department's assessment of critical infrastructure vulnerabilities, including the protection status of critical infrastructure items identified by the assessment. The department is not required to report any information that could compromise the security of any critical infrastructure.

(10) Revenue collected by the department under this section for the emergency management and homeland security training center that is unexpended and unencumbered at the end of the fiscal year must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state, in partnership with other public and private organizations.

Sec. 706. (1) Funds appropriated in part 1 for the secondary road patrol program must be used to provide grants to sheriffs under the secondary road patrol program described under section 76 of 1846 RS 14, MCL 51.76.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

ONE-TIME APPROPRIATIONS

Sec. 801. (1) From the funds appropriated in part 1 for community-based crisis response pilot grants, the department shall make grants available to a city with a population between 73,000 and 74,000, between 109,000 and 110,000, or between 123,000 and 124,000 according to the most recent federal decennial census to support a new or existing community-based response program.

(2) To be eligible for a grant distribution under this section, the recipient must provide a 25% match to any state funding that will be received.

(3) An individual grant award under this section must not exceed \$500,000.00 in a fiscal year.

(4) As used in this section, "community-based response program" means a program established by a municipality that provides for response to behavioral health, substance abuse, disability, and low-level,

nonviolent nuisance complaints or conflicts, or community response by trained personnel, to situations where a continued police response is considered unnecessary by law enforcement.

(5) The unexpended funds appropriated in part 1 for community-based crisis response pilot grants are designated as a work project appropriation. Any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. 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 project is to support community-based crisis response pilot grants.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$1,500,000.00.
- (d) The tentative completion date is September 30, 2028.
- (6) The department may expend up to \$50,000.00 from the appropriated amount for the community-based crisis response pilot grants for administration of the grants.
- (7) A city that receives a grant under this section must report all of the following to the department:
 - (a) The number of incidents resulting in a response as part of the pilot.
 - (b) The type of response.
 - (c) The amount of funding received under this section and the match amount provided.
 - (d) The level of training, certification, or licensing completed or held by a responder participating in the pilot.
 - (e) The outcome of each response.
 - (f) Recommendations to this state or other communities regarding successes and challenges associated with implementing a community-based response program.
- (8) Not later than January 15, 2025, the department must submit a report to the recipients required under section 205 containing the information reported under subsection (7).

Sec. 802. From the one-time appropriation in part 1 for contracts and services, \$200,000.00 must be allocated for providing traffic control support for the Michigan International Speedway.

Sec. 803. From the funds appropriated in part 1 for emergency alert system upgrades, the department must implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.

Sec. 804. From the funds appropriated in part 1 for MCOLES active shooter response training, \$1,300,000.00 must be allocated to MCOLES for the purpose of training law enforcement officers on responding to active shooter situations.

Sec. 805. From the funds appropriated in part 1 for firearms safety, the department may collaborate with the department of health and human services to distribute firearms safety equipment to the public or law enforcement agencies at no cost.

ARTICLE 15
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, 2024, from the following funds:

DEPARTMENT OF TRANSPORTATION		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,218.3	
GROSS APPROPRIATION	\$	6,626,549,900
Total interdepartmental grants and intradepartmental transfers		4,353,000
ADJUSTED GROSS APPROPRIATION	\$	6,622,196,900
Federal revenues:		
Total federal revenues		2,149,121,400
Special revenue funds:		
Total local revenues		85,773,500
Total private revenues		16,800,000
Total other state restricted revenues		4,082,402,000
State general fund/general purpose	\$	288,100,000
Sec. 102. DEBT SERVICE		
Airport safety and protection plan	\$	3,616,900

	For Fiscal Year Ending Sept. 30, 2024
Blue Water Bridge fund	\$ 3,963,000
Economic development	1,688,400
Local bridge fund	556,800
State trunkline fund	333,915,000
GROSS APPROPRIATION	\$ 343,740,100
Appropriated from:	
Blue Water Bridge fund	3,963,000
Economic development fund	1,688,400
Local bridge fund	556,800
State aeronautics fund	3,616,900
State trunkline fund	333,915,000
State general fund/general purpose	\$ 0
Sec. 103. INTERDEPARTMENTAL GRANTS	
CTF grant to civil service commission	\$ 250,000
CTF grant to department of attorney general	109,500
CTF grant to department of technology, management, and budget	35,600
CTF grant to department of treasury	54,900
CTF grant to legislative auditor general	44,900
MTF grant to department of environment, Great Lakes, and energy	2,182,800
MTF grant to department of state for collection of revenue and fees	20,000,000
MTF grant to department of treasury	3,528,000
MTF grant to legislative auditor general	364,200
SAF grant to civil service commission	150,000
SAF grant to department of attorney general	191,200
SAF grant to department of technology, management, and budget	28,100
SAF grant to department of treasury	81,600
SAF grant to legislative auditor general	35,200
STF grant to civil service commission	6,321,000
STF grant to department of attorney general	2,170,600
STF grant to department of state police	12,422,400
STF grant to department of technology, management, and budget	1,255,600
STF grant to department of treasury	167,000
STF grant to legislative auditor general	846,000
GROSS APPROPRIATION	\$ 50,238,600
Appropriated from:	
Comprehensive transportation fund	494,900
Michigan transportation fund	26,075,000
State aeronautics fund	486,100
State trunkline fund	23,182,600
State general fund/general purpose	\$ 0
Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	284.3
Unclassified salaries—FTE positions	6.0\$ 918,400
Asset management council	1,876,400
Business support services—FTEs	49.0 8,059,900
Commission audit—FTEs	29.3 4,805,400
Economic development and enhancement programs—FTEs	11.0 1,845,100
Finance, contracts, and support services—FTEs	195.0 27,123,200
Property management	8,499,500
Worker's compensation	1,734,500
GROSS APPROPRIATION	\$ 54,862,400
Appropriated from:	

	For Fiscal Year Ending Sept. 30, 2024	
IDG for accounting service center user charges	\$	4,353,000
Comprehensive transportation fund		1,811,000
Economic development fund		408,800
Michigan transportation fund		4,432,200
State aeronautics fund		708,400
State trunkline fund		43,149,000
State general fund/general purpose	\$	0
Sec. 105. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	41,634,600
GROSS APPROPRIATION	\$	41,634,600
Appropriated from:		
Federal aid - transportation programs		520,500
Blue Water Bridge fund		57,600
Comprehensive transportation fund		234,400
Economic development fund		38,800
Michigan transportation fund		306,300
State aeronautics fund		182,800
State trunkline fund		40,294,200
State general fund/general purpose	\$	0
Sec. 106. TRANSPORTATION PLANNING		
Full-time equated classified positions	145.0	
Planning services—FTEs	145.0\$	42,843,800
Grants to regional planning councils		488,800
GROSS APPROPRIATION	\$	43,332,600
Appropriated from:		
Federal aid - transportation programs		24,000,000
Comprehensive transportation fund		634,200
Michigan transportation fund		10,460,900
State aeronautics fund		16,000
State trunkline fund		8,221,500
State general fund/general purpose	\$	0
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions	1,706.3	
Business services—FTEs	178.4\$	26,103,200
Program development and delivery—FTEs	1,173.3	157,039,000
System operations management—FTEs	354.6	74,929,000
GROSS APPROPRIATION	\$	258,071,200
Appropriated from:		
Federal aid - transportation programs		13,529,800
Comprehensive transportation fund		187,100
Michigan transportation fund		17,670,700
State trunkline fund		226,683,600
State general fund/general purpose	\$	0
Sec. 108. HIGHWAY MAINTENANCE		
Full-time equated classified positions	909.7	
State trunkline operations—FTEs	909.7\$	466,088,700
GROSS APPROPRIATION	\$	466,088,700
Appropriated from:		
State trunkline fund		466,088,700
State general fund/general purpose	\$	0
Sec. 109. ROAD AND BRIDGE PROGRAMS		
Cities and villages	\$	697,917,900
County road commissioners		1,251,769,900

	For Fiscal Year Ending Sept. 30, 2024	
Grants to local programs	\$	33,000,000
Local agency wetland mitigation bank fund		2,000,000
Local bridge program		27,398,500
Local federal aid and road and bridge construction		384,987,800
Movable bridge fund		6,016,600
Rail grade crossing		3,000,000
Rail grade crossing - surface improvements		3,000,000
State trunkline federal aid and road and bridge construction		1,494,482,900
GROSS APPROPRIATION	\$	3,903,573,600
Appropriated from:		
Federal aid - transportation programs		1,580,218,700
Local funds		30,003,500
Private funds		10,000,000
Blue Water Bridge fund		20,704,100
Local bridge fund		27,398,500
Michigan transportation fund		1,996,704,400
State trunkline fund		238,544,400
State general fund/general purpose	\$	0
Sec. 110. BLUE WATER BRIDGE		
Full-time equated classified positions	44.0	
Blue Water Bridge operations—FTEs	44.0\$	7,152,700
GROSS APPROPRIATION	\$	7,152,700
Appropriated from:		
Blue Water Bridge fund		7,152,700
State general fund/general purpose	\$	0
Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT		
Forest roads	\$	5,000,000
Rural county primary		11,092,300
Rural county urban system		2,500,000
Targeted industries/economic development		25,684,400
Urban county congestion		11,092,300
GROSS APPROPRIATION	\$	55,369,000
Appropriated from:		
Economic development fund		55,369,000
State general fund/general purpose	\$	0
Sec. 112. AERONAUTICS SERVICES		
Full-time equated classified positions	48.0	
Air service program	\$	50,000
Aviation services—FTEs	48.0	7,568,000
GROSS APPROPRIATION	\$	7,618,000
Appropriated from:		
State aeronautics fund		7,618,000
State general fund/general purpose	\$	0
Sec. 113. PUBLIC TRANSPORTATION SERVICES		
Full-time equated classified positions	40.0	
Passenger transportation services—FTEs	40.0\$	6,371,600
GROSS APPROPRIATION	\$	6,371,600
Appropriated from:		
Federal aid - transportation programs		1,200,000
Comprehensive transportation fund		5,171,600
State general fund/general purpose	\$	0
Sec. 114. LOCAL BUS TRANSIT		
Local bus operating	\$	216,750,000

	For Fiscal Year Ending Sept. 30, 2024
Nonurban operation/capital	\$ 39,845,600
GROSS APPROPRIATION	\$ 256,595,600
Appropriated from:	
Federal aid - transportation programs	37,845,600
Local funds	2,000,000
Comprehensive transportation fund	216,750,000
State general fund/general purpose	\$ 0
Sec. 115. INTERCITY PASSENGER	
Full-time equated classified positions	41.0
Detroit/Wayne County Port Authority	\$ 600,000
Freight property management	1,300,000
Intercity services	9,514,200
Marine passenger service	5,152,000
Office of rail—FTEs	41.0 7,223,800
Rail operations and infrastructure	137,687,700
GROSS APPROPRIATION	\$ 161,477,700
Appropriated from:	
Federal aid - FRA	30,000,000
Federal aid - FTA	8,710,800
Local funds	760,000
Private funds	2,800,000
Comprehensive transportation fund	110,207,100
Intercity bus equipment fund	45,400
Michigan transportation fund	2,145,600
Rail freight fund	6,000,000
State trunkline fund	808,800
State general fund/general purpose	\$ 0
Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT	
Municipal credit program	\$ 2,000,000
Service initiatives	18,681,600
Specialized services	30,312,400
Transit capital	222,675,500
Van pooling	400,000
GROSS APPROPRIATION	\$ 274,069,500
Appropriated from:	
Federal aid - transportation programs	144,096,000
Local funds	35,510,000
Private funds	2,000,000
Total private revenues	2,000,000
Comprehensive transportation fund	92,463,500
State general fund/general purpose	\$ 0
Sec. 117. CAPITAL OUTLAY	
(1) BUILDINGS AND FACILITIES	
Salt storage buildings and containment control	\$ 3,000,000
Special maintenance, remodeling, and additions	5,000,500
GROSS APPROPRIATION	\$ 8,000,500
Appropriated from:	
State trunkline fund	8,000,500
State general fund/general purpose	\$ 0
(2) AIRPORT IMPROVEMENT PROGRAMS	
Airport safety, protection, and improvement program	\$ 179,983,500
Detroit Metropolitan Wayne County Airport	6,370,000
IIJA airport infrastructure grants	95,000,000
GROSS APPROPRIATION	\$ 281,353,500

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
Federal aid - transportation programs	\$ 250,000,000
Local funds	17,500,000
Private funds	2,000,000
Total private revenues	2,000,000
Qualified airport fund	6,370,000
State aeronautics fund	5,483,500
State general fund/general purpose	\$ 0
Sec. 118. ONE-TIME APPROPRIATIONS	
Intermodal capital investment grants	\$ 50,000,000
Local bridge bundling initiative	80,000,000
MI contracting opportunity	3,000,000
Critical infrastructure projects	181,600,000
New technology and mobility	18,500,000
One-time rail operations and infrastructure	14,900,000
ARP - one-time local bus operating	45,000,000
ARP - one-time mobility fund platform	3,500,000
ARP - one-time mobility challenge	3,500,000
ARP - one-time air service revitalization	7,000,000
GROSS APPROPRIATION	\$ 407,000,000
Appropriated from:	
Federal aid - coronavirus state fiscal recovery fund	59,000,000
Comprehensive transportation fund	59,900,000
State general fund/general purpose	\$ 288,100,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$4,370,502,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$2,689,706,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT	
Grants to regional planning councils	\$ 488,800
Cities and villages	697,917,900
County road commissions	1,251,769,900
Grants to local programs	33,000,000
Local bridge program	27,398,500
Local agency wetland mitigation	2,000,000
Movable bridge	3,008,300
Rail grade crossing	1,500,000
Rail grade surface crossing improvements	3,000,000
Forest road	5,000,000
Rural county primary	11,092,300
Rural county urban systems	2,500,000
Target industries/economic redevelopment	15,924,300
Urban county congestion	11,092,300
Air service program	50,000
Local bus operating	216,750,000
Detroit/Wayne County Port Authority	600,000
Marine passenger service	2,000,000
Municipal credit program	2,000,000
Service initiatives	9,029,400
Specialized services	13,000,000

	For Fiscal Year Ending Sept. 30, 2024
Transit capital	\$ 68,076,100
Airport safety, protection, and improvement program	5,569,700
Detroit Metropolitan Wayne County Airport	6,370,000
Intermodal capital investment grants	20,468,800
Local bridge bundling initiative	80,000,000
Critical infrastructure projects	181,600,000
One-time local bus operating	45,000,000
New technology and mobility	18,500,000
Total payments to local units of government	\$ 2,689,706,300

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) “CTF” means comprehensive transportation fund.
- (b) “Department” means the state transportation department.
- (c) “Director” means the director of the department.
- (d) “DOT” means the United States Department of Transportation.
- (e) “DOT-FHWA” means DOT, Federal Highway Administration.
- (f) “FTE” means full-time equated.
- (g) “IDG” means interdepartmental grant.
- (h) “IIJA” means the infrastructure investment and jobs act, 2021, Public Law 117-58.
- (i) “MTF” means Michigan transportation fund.
- (j) “SAF” means state aeronautics fund.
- (k) “STF” means state trunkline fund.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this article. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, or it shall include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261:

- (a) Funds appropriated in part 1 must 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.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. A department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house of representatives or a member’s staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. 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 services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose 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. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in this article pursuant to 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 \$40,000,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in this article pursuant to 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 \$1,000,000.00 for local contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in this article pursuant to 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 \$11,000,000.00 for private contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in this article pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 212. 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:

- (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. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide information sufficient to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on transportation, 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 prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in geographically disadvantaged business enterprises for services, supplies, or both.

Sec. 217. On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 220. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

- (a) The specific organization or unit of local government that will receive or administer the funds.
- (b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

- (a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

- (c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

- (e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

- (a) Identify the department as the sponsor.
- (b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

- (a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 221. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on transportation, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 223. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) By February 1, report to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2023 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2023.

(2) As used in this section, “severance pay” means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 225. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

Sec. 302. Not later than February 1, 2024, the department shall report to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget office on STF debt service. The report must include all of the following:

(a) An accounting of the prior fiscal year’s STF debt service payments, including a calculation of STF debt service payments as a percentage of STF revenue secured by constitutionally restricted revenue.

(b) A projection of STF debt service obligations for the fiscal year ending September 30, 2024, including a calculation of STF debt service obligations as a percentage of estimated STF revenue secured by constitutionally restricted revenue.

(c) A description of all bond sales planned for the fiscal year ending September 30, 2024.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan annual comprehensive financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, the house and senate fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall provide in a timely manner copies of the agenda, approved minutes, and audio recording of state transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 311. On or before March 30, 2024, the department shall provide a progress report on the CRRSSA – highway infrastructure – local bridge bundling initiative established in section 113(2) of article 14 of 2021 PA 87, to the senate and house transportation appropriations subcommittees, the state budget director, and the senate and house fiscal agencies.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2023. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation, state budget director, and the house and senate fiscal agencies no later than February 1, 2024.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction

of the Gordie Howe International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit monthly reports to the state budget director, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on all of the following:

(a) All expenditures made by the state related to the Gordie Howe Bridge.

(b) All reimbursements made by Canada under section 384(1) of this part to the state for expenditures for staff resources used in connection with project activities.

(c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.

(2) The initial report required under subsection (1) shall be submitted on or before December 1, 2023. The initial report shall cover the fiscal year ending September 30, 2023.

Sec. 389. Within 30 days of entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement. As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of \$5,000,000.00 or more.

Sec. 393. (1) The department shall promote best practices for public transportation services in this state, including, but not limited to, any of the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments that provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

(2) The department shall report on efforts taken to implement this section. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1, 2024.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to \$10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on the state trunkline network.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths statewide safety campaign.

Sec. 399. In developing its state trunkline road and bridge construction program, the department shall prioritize spending on capital preventative maintenance. From the funds appropriated in part 1 for state trunkline road and bridge construction, not less than \$100,000,000.00 must be allocated for capital preventative maintenance treatments for pavement preservation.

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) At the close of the fiscal year, funds appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.

(2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall carry forward and are appropriated for the purposes defined in section 10(5) of 1951 PA 51, MCL 247.660.

(3) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(4) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. (1) The department shall maintain documentation to support initial acceptance of warranted projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

(2) The department shall review its warranty administration processes, procedures, and associated manuals to ensure that all of the following occur:

(a) Initial notifications of needed corrective action are sent prior to warranty expiration.

(b) Consistent and timely second notifications of needed corrective action are sent if contractors do not respond within 30 days of an initial notification.

(c) The department has an effective process to establish time frames for corrective action completion.

(d) Daily inspector reports on all warranty segments are completed consistently.

(3) The department shall report on the review described in subsection (2) and changes resulting from the review. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies no later than March 31, 2024.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 612. The department shall provide guidelines and a report on the previous year's governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies no later than March 31, 2024.

Sec. 614. From the funds appropriated in part 1, up to \$5,000,000.00 must be allocated to incentivize and support the inclusion of low-impact development stormwater management practices in the design of state trunkline and local road agency construction projects. With respect to state trunkline highways, low-impact development stormwater management practices must include consideration of impacts on land and drainage within 75 feet of a state trunkline highway.

Sec. 615. From the funds appropriated in part 1, the department shall apply for grant funding under the national motor vehicle per-mile user fee pilot program under section 13002 of the infrastructure investment and jobs act, Public Law 117-58. If the grant funding is awarded, it must be used to establish a pilot program to determine the feasibility of road usage charges as a replacement for motor fuel taxes as a basis for transportation funding.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials and develop criteria and specifications for their use in both department-managed and contracted projects.

(2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that includes the department's current rolling 5-year rail plan and detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The report shall be submitted to the senate and house appropriations subcommittees on transportation, the state budget director, and the senate and house fiscal agencies, on or before February 1, 2024.

Sec. 707. (1) Before March 1, 2024, the department shall provide to the legislature, the state budget office, and the house and senate fiscal agencies its rail strategic plan. The strategic plan must include, but is not limited to, a rolling 5-year rail plan and a summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure.

(2) The rolling 5-year rail plan must include, but is not limited to, all of the following:

(a) A listing by county of all rail infrastructure projects on rail lines within this state utilizing state funds, and the estimated cost of each project.

(b) The actual or projected state expenditures for operation of passenger rail service.

(c) The actual or projected state expenditures for maintenance of passenger service rail lines.

(3) The period of the rolling 5-year rail plan must include the fiscal year ending September 30, 2024 and the immediately following 4 fiscal years.

(4) The summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure must include a breakdown of the appropriation by program, year-to-year obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year.

(5) From the funds appropriated in part 1 for rail operation and infrastructure, not less than \$20,000,000.00 must be allocated for the support of rail-related economic development projects and rail freight system preservation projects.

Sec. 735. For the fiscal year ending September 30, 2024, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME ONLY APPROPRIATIONS

Sec. 1001. (1) Funds appropriated in part 1 for intermodal capital investment grants shall be expended by the department to support capital needs that improve rail, marine, intercity, and local transit infrastructure or equipment in this state and that are eligible for funding under sections 10d or 10s of 1951 PA 51, MCL 247.660d and 247.660s, or the fixed guideway capital investment grants program authorized in section 30005 of the infrastructure investment and jobs act, Public Law 117-58.

(2) The department may require a local match for local projects funded by the intermodal investment capital grants program consistent with the provisions of 1951 PA 51, MCL 247.651 to 247.675. In addition, the department may leverage all available federal grant funding in support of projects selected for the program. All federal and local funds received are appropriated for the purposes of the program.

(3) The department shall develop program guidelines and selection criteria in consultation with the Michigan infrastructure office.

Sec. 1002. (1) Funds appropriated in part 1 for the local bridge bundling initiative shall be expended by the department to support a statewide program for the rehabilitation or replacement of locally owned bridges. The department shall coordinate the local bridge bundling initiative and issue contracts necessary for planning, design, and construction work related to bridges selected for the program. Bridges shall be selected for inclusion in the program subject to available funding and according to all of the following criteria:

(a) Locally owned bridges that have previously been considered for funding under the local bridge program created in section 10(4) of 1951 PA 51, MCL 247.660.

(b) Nature of the need and geographic dispersal throughout this state.

(c) The difficulty that a local government would have in funding the local bridge project.

(2) The bridge bundling initiative is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to bundle bridges for more efficient construction.

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

(c) The total estimated cost of the project is \$80,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1003. Funds appropriated in part 1 for MI contracting opportunity shall be expended by the department to support activities that enhance the development and availability of contractors or suppliers for the delivery of the department's programs that are socially or economically disadvantaged business concerns as defined under section 100002 of the infrastructure investment and jobs act, Public Law 117-58. These activities may include, but are not limited to, any of the following:

(a) A revolving loan program to provide for bank fees and initial project-based loans for socially or economically disadvantaged businesses to participate in the delivery of the department's programs.

(b) Development of a small business mentor protégé program.

(c) A program to expand the availability of affordable insurance options for eligible suppliers.

(d) Development of a small business trucking program.

Sec. 1004. (1) From the funds appropriated in part 1 for new technology and mobility, \$18,500,000.00 shall be expended by the department to be used as follows:

(a) \$10,000,000.00 for implementation of advanced aerial mobility and drone infrastructure projects, including vertiports, drone hubs, drone ports, and last mile delivery.

(b) \$5,000,000.00 for a Lake Michigan electric vehicle circuit tour project.

(c) \$3,500,000.00 for creation and implementation of a shared streets and spaces program, and all of the following apply:

(i) The department shall establish and administer a shared streets and spaces grant program to provide grant funding, as provided in this section, to municipalities and public transit agencies to implement improvements to plazas, sidewalks, curbs, streets, bus stops, parking areas, and other public spaces in support of public health, safe mobility, and strengthened commerce.

(ii) The funds are appropriated for grants for new or improved bicycle and pedestrian infrastructure intended to increase safety and convenience of biking and walking. Eligible projects include any of the following:

(A) New or improved pedestrian crossings, including new paint, shortened crossings, better ramps, or refuge islands.

(B) Pedestrian signal upgrades at intersections or mid-block crossings.

(C) Bike lanes.

(D) Trails or shared-use path connections.

(E) At-grade rail crossing improvements for bicyclists and pedestrians.

(F) Bicycle parking.

(G) Pedestrian or bicyclist lighting.

(H) Pedestrian or bicyclist wayfinding.

(I) New bikeshare equipment.

(J) Bicycle-friendly drain grates.

(iii) Grants for projects under the shared streets and spaces grant program may be awarded up to \$200,000.00 per project to any municipality or public transit agency.

(iv) Projects funded through the shared streets and spaces grant program must be established under a grant agreement that does both of the following:

(A) Outlines milestones and activities that must be met in order to receive a disbursement of funds.

(B) Identifies measurable project outcomes.

(2) In implementing the appropriations in this section, the department shall work with the office of future mobility and electrification.

(3) As used in this section:

(a) "Municipality" means an incorporated city.

(b) "Public transit agency" means an eligible authority or eligible governmental agency as those terms are defined in section 10c of 1951 PA 51, MCL 247.660c.

Sec. 1005. (1) Funds appropriated in part 1 for critical infrastructure projects shall be expended for infrastructure projects and are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to fund infrastructure in critical need.

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

(c) The total estimated cost of the project is \$181,600,000.00.

(d) The tentative completion date is September 30, 2028.

(2) The funds described in subsection (1) must be divided accordingly:

(a) \$5,000,000.00 is appropriated for a local disaster relief fund. The local disaster relief fund shall provide funding for a local disaster relief program. The local disaster relief program shall provide grants to local road agencies in response to natural disasters and other emergency events that affect transportation infrastructure or operations.

(b) \$10,000,000.00 to the department to be used for the highest-priority rail grade separation projects throughout this state.

(c) \$1,000,000.00 to a county with a population in excess of 1,700,000 according to the latest federal decennial census, to be used for an avenue improvement program.

(d) \$5,000,000.00 to a city with a population between 13,330 and 13,340 according to the latest federal decennial census to be used for dock and port rehabilitation.

(e) \$10,000,000.00 for the department to design and build a sound wall in the city of Troy.

(f) \$10,000,000.00 to a city with a population between 61,000 and 62,000 according to the latest federal decennial census to be used for a bridge.

(g) \$100,000.00 to a township with a population between 91,000 and 92,000 according to the latest federal decennial census to be used for the purpose of roadway reconstruction and rehabilitation.

(h) \$1,000,000.00 to the department for grant funding to Miss Dig as follows:

(i) \$500,000.00 for the development of utility mapping including digitized records of utility facilities.

(ii) \$500,000.00 for Miss Dig education and training activities.

(i) \$1,000,000.00 to the County Road Association to update the new cloud-based management system.

(j) \$5,000,000.00 to a township with a population between 98,000 and 99,000 according to the latest federal decennial census to be used for reconstruction of roads and sidewalks affected by alkali silica reaction.

(k) \$1,440,000.00 to a county commission in a county with a population between 193,000 and 194,000 according to the latest federal decennial census to be used for road construction.

(l) \$1,600,000.00 to a city with a population of between 28,600 and 28,700 located in a county with a population of greater than 1,750,000 according to the latest federal decennial census for a road construction project.

(m) \$1,400,000.00 to a city with a population of between 40,200 and 40,300 located in a county with a population of greater than 1,750,000 according to the latest federal decennial census for a road construction project.

(n) \$3,000,000.00 to a county with a population between 8,100 and 8,200 according to the latest federal decennial census for the construction of a transportation facility.

(o) \$260,000.00 to a city with a population between 28,000 and 28,450 according to the latest federal decennial census for sidewalk and alley repairs.

(p) \$9,400,000.00 to an airport in a county with a population between 79,000 and 80,000 according to the latest federal decennial census, partially in a city with a population above 30,000 according to the latest federal decennial census, to be used for roadway improvements.

(q) \$20,000,000.00 to the department for a rail grade separation project in the city of Trenton on a state trunkline road near the intersection of Van Horn and highway M-85.

(r) \$5,000,000.00 to a township for road construction in a county with a population between 800,000 and 900,000 according to the latest federal decennial census, in a township with a population between 90,000 and 95,000 according to the latest federal decennial census, to be used as a local match for a county road.

(s) \$10,000,000.00 to a county with a population between 100,000 and 105,000 according to the latest federal decennial census, to be used for a road reconstruction project.

(t) \$10,000,000.00 to a county with a population between 79,000 and 80,000 according to the latest federal decennial census, for road reconstruction.

(u) \$20,000,000.00 to the department for the construction of the highway US-131 business loop interchange in the city of Kalamazoo.

(v) \$20,000,000.00 to a county with a population above 1,700,000 according to the latest federal decennial census for rehabilitation or reconstruction of a county-owned movable bridge.

(w) \$10,000,000.00 to a county with a population above 1,700,000 according to the latest federal decennial census in a township with a population between 30,000 and 30,500 according to the latest federal decennial census for the rehabilitation or reconstruction of a bridge.

(x) \$7,000,000.00 to a nonprofit economic development organization in a city with a population between 52,000 and 53,000 according to the latest federal decennial census for drone park construction including radar visualization systems.

(y) \$5,000,000.00 to the department to create a Great Lakes maritime office within the department.

(z) \$5,000,000.00 to an academic medical center in a city with a population between 120,000 and 130,000 according to the latest federal decennial census to help cover capital costs to replace a rotor craft air ambulance fleet.

(aa) \$4,400,000.00 for the expansion of a multicounty nonmotorized trail network that utilizes a former railroad corridor. Funds shall be used to provide connections and improvements to the portion of the trail network located in a county with a population between 68,000 and 69,000 according to the latest federal decennial census.

Sec. 1006. From the funds appropriated in part 1, \$14,900,000.00 for one-time rail operations and infrastructure, the department shall support improvements to railroad operations and capital infrastructure in this state.

Sec. 1007. From the funds appropriated in part 1, \$45,000,000.00 for ARP - one-time local bus operating, the department shall distribute funds to eligible authorities and eligible governmental agencies as those terms are defined in section 10c of 1951 PA 51, MCL 247.660c, in accordance with the provisions of section 10e(4)(a) of 1951 PA 51, MCL 247.660e.

Sec. 1008. From the funds appropriated in part 1 for ARP - one-time mobility fund platform, the department shall expend \$3,500,000.00 for mobility public-private partnership and programming projects.

Sec. 1009. From the funds appropriated in part 1 for ARP - one-time mobility challenge, the department shall expend \$3,500,000.00 for grants in support of projects related to enhanced transportation services for senior citizens, persons with disabilities, and veterans, and both of the following apply:

(a) By not later than March 1, 2024, the department shall submit a report to the state budget director, the chairs of the house and senate committees on appropriations, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the use of funds appropriated under this section.

(b) In implementing the appropriations in this section, the department shall work with the office of future mobility and electrification. In awarding grants under this section, the department must give consideration to diversity and equity values.

Sec. 1010. From the funds appropriated in part 1 for ARP - one-time air service revitalization, the department shall expend \$7,000,000.00 as follows:

(a) \$2,000,000.00 for aeronautics, for capital development assistance to general aviation airports for projects including obstruction removal.

(b) \$5,000,000.00 for this state's air service development program.

ARTICLE 16
SUPPLEMENTAL APPROPRIATIONS
PART 1
LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

Sec. 101. There is appropriated for various state departments and agencies, the judicial branch, and the legislative branch to supplement appropriations for the fiscal year ending September 30, 2023, from the following funds:

APPROPRIATION SUMMARY	
Full-time equated classified positions	16.0
Full-time equated exempted positions	6.5
GROSS APPROPRIATION	\$ 5,367,139,700
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 5,367,139,700
Federal revenues:	
Total federal revenues	5,421,521,000
Special revenue funds:	
Total local revenues	(10,811,400)
Total private revenues	(1,864,000)
Total other state restricted revenues	15,501,300
ARP HCBS match revenue - state general fund/general purpose	\$ 189,695,500
State general fund/general purpose	\$ (246,902,700)

Sec. 102. DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 10,260,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 10,260,000
Federal revenues:	
Total federal revenues	260,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 10,000,000

(2) ONE-TIME APPROPRIATIONS

CRRSAA - farm stress program	\$ 60,000
CRRSAA - seafood processors pandemic response	200,000
Emergency management	8,000,000
Fair food network - double up food bucks	2,000,000
GROSS APPROPRIATION	\$ 10,260,000
Appropriated from:	
Federal revenues:	
USDA, multiple grants	260,000
State general fund/general purpose	\$ 10,000,000

Sec. 103. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 11,285,000

	For Fiscal Year Ending Sept. 30, 2023
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 11,285,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	11,285,000
State general fund/general purpose	\$ 0
(2) ATTORNEY GENERAL OPERATIONS	
Administrative support	\$ 11,285,000
GROSS APPROPRIATION	\$ 11,285,000
Appropriated from:	
Special revenue funds:	
Michigan opioid healing and recovery fund	11,285,000
State general fund/general purpose	\$ 0
(3) ONE-TIME APPROPRIATIONS	
Job court	\$ (5,000,000)
Job court	5,000,000
GROSS APPROPRIATION	\$ 0
Appropriated from:	
State general fund/general purpose	\$ 0
Sec. 104. DEPARTMENT OF CIVIL RIGHTS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 750,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 750,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 750,000
(2) ONE-TIME APPROPRIATIONS	
Native American boarding school study	\$ 750,000
GROSS APPROPRIATION	\$ 750,000
Appropriated from:	
State general fund/general purpose	\$ 750,000
Sec. 105. DEPARTMENT OF CORRECTIONS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 250,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 250,000
Federal revenues:	
Total federal revenues	348,050,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ (347,800,000)

	For Fiscal Year Ending Sept. 30, 2023
(2) FIELD OPERATIONS	
Field operations	\$ 0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	60,055,100
State general fund/general purpose	\$ (60,055,100)
(3) CORRECTIONAL FACILITIES ADMINISTRATION	
Prison food service	\$ 0
Transportation	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	15,818,500
State general fund/general purpose	\$ 15,818,500
(4) HEALTH CARE	
Mental health and substance use disorder treatment services	\$ 250,000
GROSS APPROPRIATION	\$ 250,000
Appropriated from:	
Federal revenues:	
DOJ, Office of Justice Programs, RSAT	250,000
State general fund/general purpose	\$ 0
(5) CORRECTIONAL FACILITIES	
Alger Correctional Facility - Munising	\$ 0
Baraga Correctional Facility - Baraga	0
Bellamy Creek Correctional Facility - Ionia	0
Carson City Correctional Facility - Carson City	0
Central Michigan Correctional Facility - St. Louis	0
Charles E. Egeler Correctional Facility - Jackson	0
Chippewa Correctional Facility - Kincheloe	0
Cooper Street Correctional Facility - Jackson	0
Earnest C. Brooks Correctional Facility - Muskegon	0
G. Robert Cotton Correctional Facility - Jackson	0
Gus Harrison Correctional Facility - Adrian	0
Ionia Correctional Facility - Ionia	0
Kinross Correctional Facility - Kincheloe	0
Lakeland Correctional Facility - Coldwater	0
Macomb Correctional Facility - New Haven	0
Marquette Branch Prison - Marquette	0
Muskegon Correctional Facility - Muskegon	0
Newberry Correctional Facility - Newberry	0
Oaks Correctional Facility - Eastlake	0
Parnall Correctional Facility - Jackson	0
Richard A. Handlon Correctional Facility - Ionia	0
Saginaw Correctional Facility - Freeland	0
Special Alternative Incarceration Program - Jackson	0
St. Louis Correctional Facility - St. Louis	0
Thumb Correctional Facility - Lapeer	0
Womens Huron Valley Correctional Complex - Ypsilanti	0
Woodland Correctional Facility - Whitmore Lake	0
Northern region administration and support	0
Southern region administration and support	0
GROSS APPROPRIATION	\$ 0

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	\$ 271,926,400
State general fund/general purpose	\$ (271,926,400)
Sec. 106. DEPARTMENT OF EDUCATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 21,869,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 21,869,800
Federal revenues:	
Total federal revenues	16,621,500
Special revenue funds:	
Total local revenues	0
Total private revenues	551,900
Total other state restricted revenues	78,300
State general fund/general purpose	\$ 4,618,100
(2) STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT	
State board/superintendent operations	\$ 51,900
GROSS APPROPRIATION	\$ 51,900
Appropriated from:	
Special revenue funds:	
Private foundations	51,900
State general fund/general purpose	\$ 0
(3) MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
Camp Tuhsmebeta	\$ 500,000
GROSS APPROPRIATION	\$ 500,000
Appropriated from:	
Special revenue funds:	
Gifts, bequests, and donations	500,000
State general fund/general purpose	\$ 0
(4) MICHIGAN OFFICE OF GREAT START	
Child development and care public assistance	\$ 20,109,600
GROSS APPROPRIATION	\$ 20,109,600
Appropriated from:	
Federal revenues:	
Federal funds	15,491,500
State general fund/general purpose	\$ 4,618,100
(5) SCHOOL SUPPORT SERVICES	
School support services operations	\$ 78,300
GROSS APPROPRIATION	\$ 78,300
Appropriated from:	
Special revenue funds:	
Commodity distribution fees	78,300
State general fund/general purpose	\$ 0
(6) ONE-TIME APPROPRIATIONS	
ARP - farm to school grant	\$ 1,130,000
GROSS APPROPRIATION	\$ 1,130,000
Appropriated from:	
Federal revenues:	
Federal funds	1,130,000
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2023

Sec. 107. DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION	\$ 450,613,100
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Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	0
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ADJUSTED GROSS APPROPRIATION	\$ 450,613,100
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Federal revenues:

Total federal revenues	331,584,100
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Special revenue funds:

Total local revenues	0
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Total private revenues	0
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Total other state restricted revenues	11,000,000
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State general fund/general purpose	\$ 108,029,000
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(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Executive direction	\$ 3,000,000
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GROSS APPROPRIATION	\$ 3,000,000
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Appropriated from:

Federal revenues:

Inflation reduction act	3,000,000
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State general fund/general purpose	\$ 0
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(3) AIR QUALITY DIVISION

Air quality programs	\$ 673,200
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GROSS APPROPRIATION	\$ 673,200
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Appropriated from:

Federal revenues:

Inflation reduction act	673,200
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State general fund/general purpose	\$ 0
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(4) MATERIALS MANAGEMENT DIVISION

Energy efficiency revolving fund	\$ 8,400,000
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Environmental sustainability and stewardship	55,042,100
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Solid waste management program	775,000
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GROSS APPROPRIATION	\$ 64,217,100
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Appropriated from:

Federal revenues:

Federal funds	275,000
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Inflation reduction act	1,000,000
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Infrastructure investment and jobs act fund	46,327,900
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Special revenue funds:

Energy efficiency and renewable energy revolving loan fund	11,000,000
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State general fund/general purpose	\$ 5,614,200
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(5) ONE-TIME APPROPRIATIONS

AmeriCorps and office of climate and energy	\$ 2,174,800
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ARP - propane resiliency enhancement plan	8,000,000
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ARP - water infrastructure projects	233,200,000
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Contaminated site cleanup	100,000,000
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PFAS and emerging contaminants	37,348,000
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PFAS remediation - airports	2,000,000
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GROSS APPROPRIATION	\$ 382,722,800
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Appropriated from:

Federal revenues:

Coronavirus state fiscal recovery fund	241,200,000
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Federal funds	1,760,000
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Infrastructure investment and jobs act fund	37,348,000
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State general fund/general purpose	\$ 102,414,800
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For Fiscal Year
Ending Sept. 30,
2023

Sec. 108. DEPARTMENT OF HEALTH AND HUMAN SERVICES

(1) APPROPRIATION SUMMARY

Full-time equated classified positions	0.0	
GROSS APPROPRIATION	\$	2,449,015,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	2,449,015,800
Federal revenues:		
Total federal revenues		2,825,356,300
Special revenue funds:		
Total local revenues		(10,811,400)
Total private revenues		(2,415,900)
Total other state restricted revenues		(141,781,800)
ARP HCBS match revenue - state general fund/general purpose	\$	189,695,500
State general fund/general purpose	\$	(411,026,900)

(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions	(3.0)	
Departmental administration and management—FTEs	(3.0)	\$ (450,000)
GROSS APPROPRIATION	\$	(450,000)
Appropriated from:		
Federal revenues:		
Total other federal revenues		(166,500)
State general fund/general purpose	\$	(283,500)

(3) COMMUNITY SERVICES AND OUTREACH

Full-time equated classified positions	0.0	
Human trafficking intervention services—FTE	1.0	\$ 0
Uniform statewide sexual assault evidence kit tracking system—FTEs	(1.0)	528,000
GROSS APPROPRIATION	\$	528,000
Appropriated from:		
Special revenue funds:		
Sexual assault evidence tracking fund		528,000
State general fund/general purpose	\$	0

(4) CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Adoption subsidies	\$	2,054,000
Child care fund		(32,686,800)
Foster care payments		(40,354,200)
Guardianship assistance program		(601,900)
Settlement monitor		489,900
GROSS APPROPRIATION	\$	(71,099,000)
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		(2,006,400)
Total other federal revenues		3,984,900
Special revenue funds:		
Local funds - county chargeback		(4,881,700)
State general fund/general purpose	\$	(68,195,800)

(5) PUBLIC ASSISTANCE

Family independence program	\$	3,818,600
Family independence program - supplemental payment		2,085,600
Food assistance program benefits		762,737,400
Low-income home energy assistance program		82,523,900
Refugee assistance program		4,817,200
State disability assistance payments		64,400
State supplementation		147,300
GROSS APPROPRIATION	\$	856,194,400

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Federal revenues:		
Capped federal revenues	\$	87,341,100
Social security act, temporary assistance for needy families		2,085,600
Total other federal revenues		762,737,400
Special revenue funds:		
Supplemental security income recoveries		16,200
State general fund/general purpose	\$	4,014,100
(6) FIELD OPERATIONS AND SUPPORT SERVICES		
Full-time equated classified positions	0.0	
Donated funds positions—FTEs	(1.0)\$	0
Electronic benefit transfer (EBT)		1,470,000
Field policy and administration—FTE	1.0	153,000
GROSS APPROPRIATION	\$	1,623,000
Appropriated from:		
Federal revenues:		
Capped federal revenues		153,000
Total other federal revenues		1,470,000
State general fund/general purpose	\$	0
(7) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Full-time equated classified positions	5.0	
Behavioral health program administration—FTEs	5.0\$	13,075,100
Family support subsidy		1,676,600
GROSS APPROPRIATION	\$	14,751,700
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		1,676,600
Total other federal revenues		12,655,600
State general fund/general purpose	\$	419,500
(8) BEHAVIORAL HEALTH SERVICES		
Full-time equated classified positions	(1.0)	
Autism services	\$	(6,789,600)
Certified community behavioral health clinic demonstration		30,402,700
Court-appointed guardian reimbursements		(200,000)
Court-appointed guardian reimbursements		200,000
Federal mental health block grant		4,000,000
Health homes—FTEs	(1.0)	(34,816,400)
Healthy Michigan plan - behavioral health		65,054,800
Medicaid mental health services		222,475,700
Medicaid substance use disorder services		1,148,700
GROSS APPROPRIATION	\$	281,475,900
Appropriated from:		
Federal revenues:		
Total other federal revenues		399,800,900
Special revenue funds:		
Total other state restricted revenues		(7,322,700)
State general fund/general purpose	\$	(111,002,300)
(9) STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES		
Caro Regional Mental Health Center - psychiatric hospital - adult	\$	0
Center for forensic psychiatry		0
Hawthorn Center - psychiatric hospital - children and adolescents		0

	For Fiscal Year Ending Sept. 30, 2023
Kalamazoo Psychiatric Hospital - adult	0
Walter P. Reuther Psychiatric Hospital - adult	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Total other federal revenues	2,033,800
State general fund/general purpose	\$ (2,033,800)
(10) EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	
Healthy homes program	\$ 1,000,000
GROSS APPROPRIATION	\$ 1,000,000
Appropriated from:	
Federal revenues:	
Total other federal revenues	841,000
Special revenue funds:	
Total private revenues	1,000,000
State general fund/general purpose	\$ (841,000)
(11) LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	\$ 1,000,000
Cancer prevention and control program	(1,000,000)
Chronic disease control and health promotion administration	250,000
GROSS APPROPRIATION	\$ 250,000
Appropriated from:	
Federal revenues:	
Total other federal revenues	0
Special revenue funds:	
Total private revenues	250,000
State general fund/general purpose	\$ 0
(12) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	\$ (39,899,200)
GROSS APPROPRIATION	\$ (39,899,200)
Appropriated from:	
Federal revenues:	
Total other federal revenues	(16,259,100)
Special revenue funds:	
Total private revenues	25,000
State general fund/general purpose	\$ (23,665,100)
(13) HEALTH AND AGING SERVICES ADMINISTRATION	
Full-time equated classified positions	(1.0)
Health services administration—FTEs	(1.0)\$ (150,000)
GROSS APPROPRIATION	\$ (150,000)
Appropriated from:	
Federal revenues:	
Total other federal revenues	(75,000)
State general fund/general purpose	\$ (75,000)
(14) HEALTH SERVICES	
Adult home help services	\$ 37,110,900
Ambulance services	5,598,800
Auxiliary medical services	(344,600)
Dental redesign	40,000,000
Dental services	(39,421,400)
Federal Medicare pharmaceutical program	64,397,600
Health plan services	247,184,600

	For Fiscal Year Ending Sept. 30, 2023
Healthy Michigan plan	\$ 283,082,200
Home health services	1,431,400
Hospice services	4,210,000
Hospital disproportionate share payments	0
Hospital services and therapy	35,348,300
Integrated care organizations	29,697,000
Long-term care services	162,581,900
Maternal and child health	(9,438,200)
Medicaid home- and community-based services waiver	14,116,900
Medicare premium payments	26,263,400
Personal care services	165,800
Pharmaceutical services	20,276,900
Physician services	23,449,200
Program of all-inclusive care for the elderly	(11,562,200)
School-based services	26,862,800
Special Medicaid reimbursement	(14,726,600)
Transportation	4,664,800
GROSS APPROPRIATION	\$ 950,949,500
Appropriated from:	
Federal revenues:	
Total other federal revenues	1,304,937,400
Special revenue funds:	
Total local revenues	(5,929,700)
Total private revenues	(3,690,900)
Total other state restricted revenues	(135,003,300)
State general fund/general purpose	\$ (209,364,000)
(15) ONE-TIME APPROPRIATIONS	
ARP - cooperative agreement for emergency response	\$ 29,704,600
ARP - home- and community-based services projects fund	189,695,500
ARP - local water utility affordability	35,000,000
ARP - preweatherization	25,000,000
ARP - senior centers	28,000,000
ARP - senior project fresh enhancement	1,200,000
ARP - sexually transmitted disease prevention and control	27,696,800
ARP - strengthening U.S. public health infrastructure, workforce, and data systems	80,880,600
ARP - vaccine support	36,095,900
Behavioral health care services and facilities	(5,000,000)
Behavioral health care services and facilities	5,000,000
COVID-19 elder justice - aging and field services	568,100
GROSS APPROPRIATION	\$ 453,841,500
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	88,000,000
Total other federal revenues	176,146,000
ARP HCBS match revenue - state general fund/general purpose	\$ 189,695,500
State general fund/general purpose	\$ 0
Sec. 109. JUDICIARY	
(1) APPROPRIATION SUMMARY	
Full-time equated exempted positions	6.5
GROSS APPROPRIATION	\$ 11,700,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 11,700,000

	For Fiscal Year Ending Sept. 30, 2023	
Federal revenues:		
Total federal revenues	\$	10,000,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	1,700,000
(2) SUPREME COURT		
Full-time equated exempted positions	6.5	
State court administrative office—FTEs	6.5	\$ 500,000
GROSS APPROPRIATION	\$	500,000
Appropriated from:		
State general fund/general purpose	\$	500,000
(3) JUSTICES' AND JUDGES' COMPENSATION		
District court judges' state base salaries	\$	460,200
Judges' retirement system defined contributions		28,800
OASI, social security		6,700
GROSS APPROPRIATION	\$	495,700
Appropriated from:		
State general fund/general purpose	\$	495,700
(4) INDIGENT CIVIL LEGAL ASSISTANCE		
Indigent civil legal assistance	\$	704,300
GROSS APPROPRIATION	\$	704,300
Appropriated from:		
State general fund/general purpose	\$	704,300
(5) ONE-TIME APPROPRIATIONS		
Juvenile justice data management project	\$	10,000,000
GROSS APPROPRIATION	\$	10,000,000
Appropriated from:		
Federal revenues:		
DOJ, national criminal history improvement program		10,000,000
State general fund/general purpose	\$	0
Sec. 110. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions	7.0	
GROSS APPROPRIATION	\$	2,017,634,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	2,017,634,600
Federal revenues:		
Total federal revenues		1,711,944,600
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		100,250,000
State general fund/general purpose	\$	205,440,000
(2) WORKFORCE DEVELOPMENT		
Tri-share child care program	\$	(2,500,000)
Tri-share child care program		2,500,000
Workforce development programs		2,100,000
Workforce program administration		2,844,600
GROSS APPROPRIATION	\$	4,944,600

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Federal revenues:		
DED-OESE, GEAR-UP	\$	1,500,000
Federal funds		3,444,600
State general fund/general purpose	\$	0
(3) EMPLOYMENT SERVICES		
Full-time equated classified positions	2.0	
Wage and hour program—FTEs	2.0	\$ 250,000
GROSS APPROPRIATION	\$	250,000
Appropriated from:		
Special revenue funds:		
Corporation fees		250,000
State general fund/general purpose	\$	0
(4) MICHIGAN STRATEGIC FUND		
Revitalization and placemaking program	\$	50,000,000
GROSS APPROPRIATION	\$	50,000,000
Appropriated from:		
Special revenue funds:		
Revitalization and placemaking fund		50,000,000
State general fund/general purpose	\$	0
(5) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Michigan housing and community development program	\$	50,000,000
GROSS APPROPRIATION	\$	50,000,000
Appropriated from:		
Special revenue funds:		
Michigan housing and community development fund		50,000,000
State general fund/general purpose	\$	0
(6) ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	5.0	
ARP - Michigan reconnect expansion to 21	\$	70,000,000
ARP - missing middle gap program		10,000,000
ARP - talent action teams		15,000,000
Deployment and access to broadband		1,600,000,000
Enhancement grants		15,240,000
Global epicenter of mobility Detroit region - talent, proving, and demonstration		5,000,000
Office of global Michigan		7,000,000
Population commission—FTEs	5.0	2,000,000
Road infrastructure grants		28,200,000
Special events and national convention attraction		10,000,000
Targeted energy investment		150,000,000
GROSS APPROPRIATION	\$	1,912,440,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		95,000,000
DOC-NTIA, broadband equity, access, and deployment		1,600,000,000
Federal funds		5,000,000
HHS, refugee assistance program fund		7,000,000
State general fund/general purpose	\$	205,440,000
Sec. 111. LEGISLATURE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	5,100,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	5,100,000

	For Fiscal Year Ending Sept. 30, 2023
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 5,100,000
(2) ONE-TIME APPROPRIATIONS	
Michigan State Capitol Commission	\$ 5,100,000
GROSS APPROPRIATION	\$ 5,100,000
Appropriated from:	
State general fund/general purpose	\$ 5,100,000
Sec. 112. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 1,001,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 1,001,000
Federal revenues:	
Total federal revenues	366,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	635,000
State general fund/general purpose	\$ 0
(2) ONE-TIME APPROPRIATIONS	
Bureau of construction codes homeowners construction lien recovery	\$ 335,000
COVID-19 survey activities	366,000
Industrial hemp program	300,000
GROSS APPROPRIATION	\$ 1,001,000
Appropriated from:	
Federal revenues:	
HHS-Medicare, certification of health care providers and suppliers	366,000
Special revenue funds:	
Homeowner construction lien recovery fund	335,000
Industrial hemp licensing and registration fund	300,000
State general fund/general purpose	\$ 0
Sec. 113. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 3,200,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 3,200,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 3,200,000
(2) ONE-TIME APPROPRIATIONS	
Selfridge Air National Guard base	\$ 3,200,000
GROSS APPROPRIATION	\$ 3,200,000
Appropriated from:	
State general fund/general purpose	\$ 3,200,000

For Fiscal Year
Ending Sept. 30,
2023

Sec. 114. DEPARTMENT OF NATURAL RESOURCES**(1) APPROPRIATION SUMMARY**

Full-time equated classified positions	5.0	
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GROSS APPROPRIATION	\$	123,182,500
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Interdepartmental grant revenues:		
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Total interdepartmental grants and intradepartmental transfers		0
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ADJUSTED GROSS APPROPRIATION	\$	123,182,500
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Federal revenues:		
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Total federal revenues		27,812,700
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Special revenue funds:		
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Total local revenues		0
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Total private revenues		0
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Total other state restricted revenues		7,169,800
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State general fund/general purpose	\$	88,200,000
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(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions	5.0	
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Executive direction	\$	32,800
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Office of public lands—FTEs	5.0	1,662,000
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GROSS APPROPRIATION	\$	1,694,800
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Appropriated from:		
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Special revenue funds:		
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Forest development fund		1,566,000
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Game and fish protection fund		48,000
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Off-road vehicle trail improvement fund		32,800
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Park improvement fund		48,000
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State general fund/general purpose	\$	0
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(3) LAW ENFORCEMENT

General law enforcement	\$	570,000
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GROSS APPROPRIATION	\$	570,000
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Appropriated from:		
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Special revenue funds:		
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Off-road vehicle trail improvement fund		570,000
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State general fund/general purpose	\$	0
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(4) PARKS AND RECREATION DIVISION

State parks	\$	450,000
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GROSS APPROPRIATION	\$	450,000
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Appropriated from:		
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Special revenue funds:		
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Park improvement fund		450,000
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State general fund/general purpose	\$	0
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(5) GRANTS

Off-road vehicle trail improvement grants	\$	555,000
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GROSS APPROPRIATION	\$	555,000
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Appropriated from:		
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Special revenue funds:		
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Off-road vehicle trail improvement fund		555,000
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State general fund/general purpose	\$	0
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(6) CAPITAL OUTLAY - RECREATIONAL LANDS AND INFRASTRUCTURE

Brandon Road interbasin project	\$	64,000,000
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Off-road vehicle trail development and maintenance		1,200,000
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Snowmobile trail development and maintenance		800,000
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Snowmobile trail development and maintenance		1,900,000
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State game and wildlife area infrastructure		1,200,000
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GROSS APPROPRIATION	\$	69,100,000
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	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Special revenue funds:	
Off-road vehicle trail improvement fund	\$ 1,200,000
Snowmobile trail improvement fund	2,700,000
State general fund/general purpose	\$ 65,200,000
(7) CAPITAL OUTLAY - WATERWAYS BOATING PROGRAM	
Adelaide Pointe Marina, Muskegon County, marina improvements (total authorized cost \$3,435,800; federal share \$1,472,800; local share \$1,963,000)	\$ 1,472,800
Discovery Center and Pier, Leelanau County, marina improvements (total authorized cost \$1,229,000; federal share \$848,000; local share \$381,000)	848,000
State boating infrastructure maintenance	1,200,000
Village of Spring Lake Transient Marinas, Ottawa County, marina improvements (total authorized cost \$1,294,900; federal share \$956,200; local share \$338,700)	956,200
Wyandotte Transient Marina, Wayne County, marina improvements (total authorized cost \$685,100; federal share \$335,700; local share \$349,400)	335,700
GROSS APPROPRIATION	\$ 4,812,700
Appropriated from:	
Federal revenues:	
Michigan state waterways fund, federal	4,812,700
State general fund/general purpose	\$ 0
(8) ONE-TIME APPROPRIATIONS	
ARP - Belle Isle Park infrastructure	\$ 23,000,000
Flint State Park	23,000,000
GROSS APPROPRIATION	\$ 46,000,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	23,000,000
State general fund/general purpose	\$ 23,000,000
Sec. 115. DEPARTMENT OF STATE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 11,575,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 11,575,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	11,575,000
State general fund/general purpose	\$ 0
(2) CUSTOMER DELIVERY SERVICES	
Branch operations	\$ 75,000
GROSS APPROPRIATION	\$ 75,000
Appropriated from:	
Special revenue funds:	
Transportation administration collection fund	75,000
State general fund/general purpose	\$ 0
(3) ELECTION REGULATION	
Election administration and services	\$ 11,500,000
GROSS APPROPRIATION	\$ 11,500,000

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Special revenue funds:	
Election administration support fund	\$ 11,500,000
State general fund/general purpose	\$ 0
Sec. 116. DEPARTMENT OF STATE POLICE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 21,890,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 21,890,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	11,890,000
State general fund/general purpose	\$ 10,000,000
(2) LAW ENFORCEMENT	
Biometrics and identification	\$ 1,200,000
Forensic science	2,500,000
GROSS APPROPRIATION	\$ 3,700,000
Appropriated from:	
Special revenue funds:	
Criminal justice information center service fees	1,200,000
State services fee fund	2,500,000
State general fund/general purpose	\$ 0
(3) MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
Justice training grants	\$ 1,190,000
GROSS APPROPRIATION	\$ 1,190,000
Appropriated from:	
Special revenue funds:	
Michigan justice training fund	1,190,000
State general fund/general purpose	\$ 0
(4) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 7,000,000
GROSS APPROPRIATION	\$ 7,000,000
Appropriated from:	
Special revenue funds:	
Criminal justice information center service fees	7,000,000
State general fund/general purpose	\$ 0
(5) ONE-TIME APPROPRIATIONS	
Strategic training initiatives	\$ 10,000,000
GROSS APPROPRIATION	\$ 10,000,000
Appropriated from:	
State general fund/general purpose	\$ 10,000,000
Sec. 117. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 84,065,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 84,065,200
Federal revenues:	
Total federal revenues	23,877,100

	For Fiscal Year Ending Sept. 30, 2023
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 60,188,100
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Administrative services	\$ 2,108,000
GROSS APPROPRIATION	\$ 2,108,000
Appropriated from:	
State general fund/general purpose	\$ 2,108,000
(3) ONE-TIME APPROPRIATIONS	
Actuarial study	\$ 500,000
IIJA - state and local cybersecurity grant program	31,457,200
Make it in Michigan	50,000,000
GROSS APPROPRIATION	\$ 81,957,200
Appropriated from:	
Federal revenues:	
Infrastructure investment and jobs act fund	23,877,100
State general fund/general purpose	\$ 58,080,100
Sec. 118. STATE DEPARTMENT OF TRANSPORTATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 125,648,700
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 125,648,700
Federal revenues:	
Total federal revenues	125,648,700
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 0
(2) ROAD AND BRIDGE PROGRAMS	
State trunkline federal aid and road and bridge construction	\$ 124,099,900
GROSS APPROPRIATION	\$ 124,099,900
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	124,099,900
State general fund/general purpose	\$ 0
(3) INTERCITY PASSENGER	
Rail operations and infrastructure	\$ 1,548,800
GROSS APPROPRIATION	\$ 1,548,800
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	1,548,800
State general fund/general purpose	\$ 0
Sec. 119. DEPARTMENT OF TREASURY	
(1) APPROPRIATION SUMMARY	
Full-time equated classified positions	4.0
GROSS APPROPRIATION	\$ 18,099,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 18,099,000

	For Fiscal Year Ending Sept. 30, 2023	
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues	\$	3,400,000
State general fund/general purpose	\$	14,699,000
(2) LOCAL GOVERNMENT PROGRAMS		
Full-time equated classified positions	4.0	
Supervision of the general property tax law—FTEs	4.0\$	445,000
GROSS APPROPRIATION	\$	445,000
Appropriated from:		
State general fund/general purpose	\$	445,000
(3) TAX PROGRAMS		
Office of revenue and tax analysis	\$	150,000
Tax processing		250,000
GROSS APPROPRIATION	\$	400,000
Appropriated from:		
Special revenue funds:		
Qualified heavy equipment rental personal property exemption reimbursement fund		400,000
State general fund/general purpose	\$	0
(4) GRANTS		
Qualified heavy equipment rental personal property exemption reimbursement distribution	\$	3,000,000
GROSS APPROPRIATION	\$	3,000,000
Appropriated from:		
Special revenue funds:		
Qualified heavy equipment rental personal property exemption reimbursement fund		3,000,000
State general fund/general purpose	\$	0
(5) INFORMATION TECHNOLOGY		
Treasury operations information and technology services and projects	\$	929,000
GROSS APPROPRIATION	\$	929,000
Appropriated from:		
State general fund/general purpose	\$	929,000
(6) ONE-TIME APPROPRIATIONS		
Earned income tax credit implementation	\$	925,000
Election administration support fund		11,500,000
Implementation of the roll back of the retirement tax		900,000
GROSS APPROPRIATION	\$	13,325,000
Appropriated from:		
State general fund/general purpose	\$	13,325,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2023 is (\$41,705,900.00) and total state spending from state sources to be paid to local units of government is (\$35,375,600.00). The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY		
Contaminated site cleanup	\$	100,000,000
Subtotal	\$	100,000,000

	For Fiscal Year Ending Sept. 30, 2023
DEPARTMENT OF HEALTH AND HUMAN SERVICES	
Autism services	\$ (16,929,100)
Certified community behavioral health clinic demonstration	553,700
Child care fund	(27,522,300)
Court-appointed guardian reimbursements	(200,000)
Health homes	(1,737,100)
Healthy homes program	(841,000)
Healthy Michigan plan – behavioral health	3,355,000
Medicaid mental health services	(92,114,600)
Medicaid substance use disorder services	(4,130,200)
Subtotal	\$ (139,565,600)
DEPARTMENT OF STATE POLICE	
Justice training grants	\$ 1,190,000
Subtotal	\$ 1,190,000
DEPARTMENT OF TREASURY	
Qualified heavy equipment rental personal property exemption reimbursement distribution	\$ 3,000,000
Subtotal	\$ 3,000,000
TOTAL	\$ (35,375,600)

Sec. 202. The appropriations made and expenditures authorized under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made 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. Funds appropriated in part 1 are subject to applicable federal audit and reporting requirements. Prompt action shall be taken if instances of noncompliance are identified, including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director must take necessary and immediate action to rectify it. The state budget director must notify the senate and house appropriations committees and the senate and house fiscal agencies when an instance of noncompliance is identified.

Sec. 204. Federal COVID relief funding authorized through either the federal coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, the American rescue plan act of 2021, Public Law 117-2, the infrastructure investment and jobs act, Public Law 117-58, or the inflation reduction act of 2022, Public Law 117-169, must be allocated and expended in a manner consistent with federal rules and regulations.

Sec. 205. The state budget director must report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Sec. 301. Unexpended funds appropriated in part 1 for CRRSAA - farm stress program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide a stress assistance program for individuals in farming or other agriculture-related occupations.

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

(c) The total estimated cost of the project is \$60,000.00.

(d) The tentative completion date is September 30, 2025.

Sec. 302. Unexpended funds appropriated in part 1 for CRRSAA - seafood processors pandemic response are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide financial relief to seafood processors.

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

(c) The total estimated cost of the project is \$200,000.00.

(d) The tentative completion date is September 30, 2025.

Sec. 303. Unexpended funds appropriated in part 1 for emergency management are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide resources to address PFAS in the agricultural environment.

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

(c) The total estimated cost of the project is \$8,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 304. (1) From the funds appropriated in part 1 for fair food network - double up food bucks, the department must work with the fair food network to ensure that at least 80% of the funds allocated to the double up food bucks program are used directly for payments to participating vendors.

(2) The department must work with the department of health and human services to do all of the following:

(a) Notify recipients of food assistance program benefits that food assistance program benefits can be accessed at farmers' markets in this state with bridge cards.

(b) Notify recipients of food assistance program benefits about the double up food bucks program that is administered by the fair food network. Food assistance program recipients must receive information about the double up food bucks program.

(3) The department must work with the fair food network to expand access to the double up food bucks program in each of this state's counties with grocery stores or farmers' markets that meet program eligibility requirements.

Sec. 305. (1) From the funds appropriated in part 1 for fair food network - double up food bucks, the department must work with the fair food network to develop and implement a spending plan to ensure funds are distributed to support the nonfederal match required for the double up food bucks program.

(2) Unexpended funds appropriated in part 1 for fair food network - double up food bucks are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide state funding to the fair food network to leverage federal funds for the double up food bucks program.

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

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 351. From the funds appropriated in part 1 for job court, the department is authorized to hire up to 20.0 limited-term employees.

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. Funds appropriated in part 1 for Native American boarding school study must be used to perform a statewide study to research the number of Native American children forced to attend boarding schools in this state, the number of children who were abused, died, or went missing while at the schools, and the long-term impacts on the children and the families of children forced to attend the schools. Funds must be used to locate, analyze, and preserve records and should work in concert, when appropriate, with the Federal Indian Boarding School Initiative. Funds must be used to interview boarding school survivors, their family members, and a broad cross-section of Michigan tribal representatives and experts specializing in duration, health, and children and families with the purpose of fully understanding the impacts of policies of Native American child removal. The study must be completed and a final report provided not later than January 30, 2025. The final report must include findings and recommendations to be shared with the public and this state. The department of civil rights may contract with a university or other entity to carry out the requirements of this section.

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 501. Unexpended funds appropriated in part 1 for executive direction are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide funding to create a comprehensive climate pollution plan.

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

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 502. From the funds appropriated in part 1 for executive direction, the department is authorized to hire 3.0 limited-term employees to implement the climate pollution reduction grants program.

Sec. 503. Unexpended funds appropriated in part 1 for air quality programs are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to develop, research, and improve air quality and reduce localized pollution and health impacts.

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

(c) The total estimated cost of the project is \$673,200.00.

(d) The tentative completion date is September 30, 2027.

Sec. 504. Unexpended funds appropriated in part 1 for energy efficiency revolving fund are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide funding for energy efficiency and savings opportunities for homeowners and businesses, as approved by the United States Department of Energy.

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

(c) The total estimated cost of the project is \$8,400,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 505. (1) From the funds appropriated in part 1 for environmental sustainability and stewardship, \$43,042,100.00 shall be used to provide grant assistance to Michigan's public utilities and other entities eligible for funding under section 40101(d) of the infrastructure investment and jobs act, Public Law 117-58, requirements for grid resiliency.

(2) Unexpended funds appropriated in part 1 for environmental sustainability and stewardship are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grant assistance to Michigan's public utilities and other entities eligible for funding under section 40101(d) of the infrastructure investment and jobs act, Public Law 117-58, requirements for grid resiliency.

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

(c) The total estimated cost of the project is \$43,042,100.00.

(d) The tentative completion date is September 30, 2027.

Sec. 506. (1) From the funds appropriated in part 1 for environmental sustainability and stewardship, \$11,000,000.00 shall be used to provide grant assistance to Michigan's public and private sectors as approved by the United States Department of Energy for this state's energy program.

(2) Unexpended funds appropriated in part 1 for environmental sustainability and stewardship are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grant assistance to Michigan's public and private sectors as approved by the United States Department of Energy for this state's energy program.

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

(c) The total estimated cost of the project is \$11,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 507. (1) From the funds appropriated in part 1 for environmental sustainability and stewardship, \$1,000,000.00 shall be used to provide assistance to Michigan communities with environmental justice programs, including, but not limited to, addressing pollution prevention, monitoring, and other remediation activities as approved by the federal Environmental Protection Agency.

(2) Unexpended funds appropriated in part 1 for environmental sustainability and stewardship are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to Michigan communities with environmental justice programs, including, but not limited to, addressing pollution prevention, monitoring, and other remediation activities as approved by the federal Environmental Protection Agency.

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

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 508. Unexpended funds appropriated in part 1 for solid waste management program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support implementation of the department's coal combustion residuals permitting program.

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

(c) The total estimated cost of the project is \$775,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 509. Unexpended funds appropriated in part 1 for AmeriCorps and office of climate and energy are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support a climate-focused AmeriCorps program.

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

(c) The total estimated cost of the project is \$2,174,800.00.

(d) The tentative completion date is September 30, 2027.

Sec. 510. (1) Funds appropriated in part 1 for ARP - propane resiliency enhancement plan must support efforts to ensure the adequacy of supply and affordability of pricing for residential and commercial consumers in this state who rely on propane as a primary energy source or as part of their preparedness and continuity plans.

(2) Funds must be allocated as follows to support the following initiatives:

(a) \$5,000,000.00 to develop and expand the storage capacity of wholesale and retail propane suppliers for transport and distribution through rail or other means.

(b) \$3,000,000.00 for storage and maintenance costs connected to expanded propane pipeline and fractionation capacity.

(3) The department may explore the development of a strategic propane reserve that includes pipeline and fractionation capacity.

(4) The department must provide a report not later than January 30, to the chairs of the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on the implementation of this program.

(5) Unexpended funds appropriated in part 1 for ARP - propane resiliency enhancement plan are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure the adequacy of supply and affordability of pricing for residential and commercial consumers in Michigan who rely on propane as a primary energy source or as part of their preparedness and continuity plans.

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

(c) The total estimated cost of the project is \$8,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 511. (1) Funds appropriated in part 1 for ARP - water infrastructure projects and awarded for lead service line replacement shall be used to support lead line replacement and associated activities, including, but not limited to, water main replacement, to promote coordinated water infrastructure work in overburdened and significantly overburdened communities as defined under parts 53 and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

(2) From the funds appropriated in part 1 for ARP - water infrastructure projects, \$18,100,000.00 shall be awarded for community lead service line replacement projects as follows:

(a) \$10,000,000.00 to a lead service line replacement project located in a city with a population of between 34,000 and 35,000 in a county with a population of between 875,000 and 900,000 according to the most recent federal decennial census that supports the replacement of lead service lines.

(b) \$4,900,000.00 to a lead service line replacement project located in a city with a population of between 17,500 and 18,000 in a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census that supports the replacement of lead service lines.

(c) \$400,000.00 to a lead service line replacement project located in a city with a population of between 4,750 and 5,250 in a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census that supports the replacement of lead service lines.

(d) \$300,000.00 to a lead service line replacement project located in a city with a population of between 2,000 and 2,500 in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census that supports the replacement of lead service lines.

(e) \$2,500,000.00 to a city with a population of between 40,000 and 41,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to replace lead service lines in the city's water system.

(3) From the funds appropriated in part 1 for ARP - water infrastructure projects, \$59,600,000.00 shall be awarded for wastewater infrastructure projects as follows:

(a) \$10,000,000.00 to a wastewater treatment plant project located in a township with a population of between 30,000 and 35,000 in a county with a population of between 105,000 and 110,000 according to the most recent federal decennial census that supports the repair of wastewater treatment plants.

(b) \$10,000,000.00 to a county with a population of between 400,000 and 500,000 according to the most recent federal decennial census for the construction of a digester at a wastewater facility operated by the office of drain commissioner for that county.

(c) \$10,000,000.00 to the Downriver Utility Wastewater Authority to support the upgrade and improvement of community wastewater treatment plants.

(d) \$6,000,000.00 to a wastewater infrastructure project located in a city with a population of between 8,000 and 9,000 in a county with a population of between 875,000 and 900,000 according to the most recent federal decennial census to support the wastewater infrastructure project.

(e) \$5,000,000.00 to a charter township with a population of between 40,000 and 50,000 in a county with a population of between 800,000 and 900,000 according to the most recent federal decennial census for phase 2 and phase 3 of a sewer interceptor project.

(f) \$5,000,000.00 to a county with a population of between 800,000 and 900,000 according to the most recent federal decennial census for a sewer interceptor project that will reduce combined sewer outflows into Lake St. Clair.

(g) \$5,000,000.00 to a wastewater treatment plant project located in a city with a population of between 8,500 and 9,000 in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census that supports the repairs of wastewater treatment plants.

(h) \$5,000,000.00 to a water authority serving a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census to support sewer infrastructure repairs.

(i) \$3,600,000.00 to a wastewater treatment plant project located in a city with a population of between 3,500 and 4,000 in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census that supports the repair of community wastewater treatment plants.

(4) From the funds appropriated in part 1 for ARP - water infrastructure projects, \$71,700,000.00 shall be awarded for water infrastructure projects as follows:

(a) \$25,000,000.00 to a water infrastructure project located in a city with a population of between 40,000 and 45,000 in a county with a population of between 80,000 and 85,000 according to the most recent federal decennial census that supports water infrastructure projects.

(b) \$2,000,000.00 to a water infrastructure project located in a city with a population of between 15,000 and 16,000 in a county with a population of between 95,000 and 96,000 according to the most recent federal decennial census that supports water infrastructure repairs.

(c) \$39,700,000.00 to a city with a population of between 575 and 600 in a county with a population of between 8,000 and 12,000 according to the most recent federal decennial census for water and sewer improvements including, lift stations, water line replacement or extension, sewer line replacement or extension, water treatment plant expansion and repair, or related water and sewer infrastructure projects.

(d) \$5,000,000.00 to water infrastructure projects located in a city with a population of between 28,000 and 28,500 in a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census that supports water infrastructure projects.

(5) Unexpended funds appropriated in part 1 for ARP - water infrastructure projects are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund water infrastructure projects.

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

(c) The total estimated cost of the project is \$233,200,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 512. (1) Funds appropriated in part 1 for contaminated site cleanup shall be used for grants to municipalities to support the assessment and remediation of contaminated sites. Grants may be used for investigation, remediation, monitoring, providing alternative drinking water, groundwater protection, or other activities to reduce public health threats from contaminated sites, subject to subsection (2).

(2) Grants awarded under this section may be used for any of the following activities:

(a) Remediation, remedial action, response activity, or removal activities at contaminated sites, as applicable.

(b) Monitoring environmental assessment or monitoring testing or sampling at or near contaminated sites.

(c) Environmental assessments.

(d) Vapor mitigation, pollution, emissions, or other engineered controls.

(e) Soil and groundwater monitoring.

(f) Hazardous substance removal or removal of unstable soils.

(g) PFAS investigation or mitigation.

(h) Third party oversight and administrative costs for the community.

(3) Subject to subsection (1) and (4), the department shall award grants under this section as follows:

(a) Not less than \$25,000,000.00 shall be awarded to address contaminated sites in communities with elevated environmental health burdens as identified by the department. The department shall develop guidelines to award and monitor funds.

(b) By not later than September 30, 2023, not less than \$75,000,000.00 shall be awarded to a city with a population of between 76,000 and 76,500 in a county with a population of between 1,000,000 and 1,500,000 according to the most recent federal decennial census.

(4) Funds allocated under this section are subject to applicable regulations and do not constitute a future guarantee of permitting approval for any project.

(5) The department may expend not more than 1% of the funds appropriated in part 1 for contaminated site cleanup for administration of the grant program created in subsection (1).

(6) Unexpended funds appropriated in part 1 for contaminated site cleanup are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grants to local units of government to perform environmental remediation.

(b) The project will be accomplished through grants to local units of government.

(c) The total estimated cost of the project is \$100,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 513. Unexpended funds appropriated in part 1 for PFAS and emerging contaminants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide funding to address emerging contaminants in small or disadvantaged communities.

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

(c) The total estimated cost of the project is \$37,348,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 514. From the funds appropriated in part 1 for PFAS and emerging contaminants, the department is authorized to hire 1.0 limited-term employee to implement the emerging contaminants in small or disadvantaged communities program.

Sec. 515. From the funds appropriated in part 1 for PFAS remediation – airports, the department must support the purchase of PFAS-free firefighting equipment or the cleaning of existing equipment to remove PFAS for airports in this state.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 551. From the funds appropriated in part 1 for foster care payments, the department must allocate up to \$1,700,000.00 in Title IV-E passthrough funds for educational pilot programs to strengthen this state's child welfare workforce. The department must enter into contractual arrangements with state universities to provide Bachelor of Social Work and Master of Social Work educational training, including field placements

and stipends for tuition and educational expenses. In exchange, students completing Title IV-E educational programs must be contractually obligated to work for Michigan child welfare agencies for a minimum of 1 year. The match for Title IV-E funds must be provided by the participating universities from expenses incurred for training child welfare students.

Sec. 552. (1) The department shall convene a workgroup that includes representatives of the department, the Michigan Guardianship Association, probate court judges that oversee cases with court-appointed guardians, the Community Mental Health Association of Michigan, and the state budget office to develop a funding method recommendation for clients for which a court-appointed guardian receives no fee. The department may use the funds appropriated in part 1 for court-appointed guardian reimbursements to support costs associated with the workgroup, including, but not limited to, consulting services.

(2) Unexpended funds appropriated in part 1 for court-appointed guardian reimbursements are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to convene a workgroup to develop a funding method recommendation for clients for which a court-appointed guardian receives no fee.

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

(c) The total estimated cost of the project is \$200,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 553. In addition to the funds appropriated in part 1, the department is authorized to receive and expend federal funds or state restricted funds related to program changes made in connection with new requirements documented in the Centers for Medicare and Medicaid Services notice of proposed rulemaking entitled Medicaid Program; Ensuring Access to Medicaid Services or Medicaid Program; Medicaid and Children's Health Insurance Program (CHIP) Managed Care Access, Finance, and Quality released on May 3, 2023, 42 CFR parts 430, 438, and 457 [CMS-2439-P].

Sec. 554. Unexpended funds appropriated in part 1 for ARP - cooperative agreement for emergency response are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to conduct activities necessary to expand, train, and sustain a response-ready public health workforce statewide.

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

(c) The total estimated cost of the project is \$29,704,600.00.

(d) The tentative completion date is September 30, 2027.

Sec. 555. (1) The ARP - home- and community-based services projects fund is created within the department of treasury.

(2) The general fund appropriated in part 1 for ARP - home- and community-based services projects fund shall be deposited into the ARP - home- and community-based services projects fund.

(3) The state treasurer shall direct the investment of the ARP - home- and community-based services projects fund. Interest and earnings from the investment of funds deposited in the ARP - home- and community-based services projects fund shall be deposited in the general fund.

(4) Funds in the ARP - home- and community-based services projects fund at the close of the fiscal year shall remain in the ARP - home- and community-based services projects fund and shall not lapse to the general fund.

(5) From the funds deposited in the ARP - home- and community-based services projects fund under subsection (2), the department shall expend the funds on activities to enhance, expand, or strengthen home- and community-based services pursuant to section 9817 of the federal American rescue plan act of 2021, as follows:

(a) \$41,250,000.00 is allocated and appropriated, along with any federal match for these funds, for adult home help respite services.

(b) \$22,613,700.00 is allocated and appropriated, along with any federal match for these funds, for home- and community-based services eligibility expansion.

(c) \$22,530,000.00 is allocated and appropriated, along with any federal match for these funds, for long-term care independent options counseling.

(d) \$77,250,000.00 is allocated and appropriated, along with any federal match for these funds, for direct care worker training, credentialing, recruitment, support, and retention.

(e) \$1,051,800.00 is allocated and appropriated, along with any federal match for these funds, for supported employment.

(f) \$20,000,000.00 is allocated and appropriated, along with any federal match for these funds, for program of all-inclusive care for the elderly (PACE) infrastructure.

(g) \$5,000,000.00 is allocated and appropriated, along with any federal match for these funds, for MiChoice presumptive eligibility.

(6) Unexpended funds appropriated in subsection (5) for ARP – home- and community-based services projects fund are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to enhance, expand, or strengthen home- and community-based services and supports pursuant to section 9817 of the federal American rescue plan act of 2021.

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

(c) The total estimated cost of the project is \$275,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 556. (1) Funds appropriated in part 1 for ARP – local water utility affordability must be used to support efforts by community water systems to ensure the affordability of water. Eligible expenditures from these funds must be income-based and must include all of the following:

(a) Capping or lowering utility bills.

(b) Reducing consumer debt.

(c) Improving in-home plumbing.

(d) Protecting participating residents from water shutoffs.

(2) Unexpended funds appropriated in part 1 for ARP - local water utility affordability are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to low-income water utility consumers at risk of losing water service for their home.

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

(c) The total estimated cost of the project is \$35,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 557. (1) Funds appropriated in part 1 for ARP - preweatherization must be used to improve homes, reduce energy usage, and lower utility bills.

(2) Unexpended funds appropriated in part 1 for ARP - preweatherization are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to improve homes, reduce energy usage, and lower utility bills.

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

(c) The total estimated cost of the project is \$25,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 558. (1) From the funds appropriated in part 1 for ARP – senior centers, the department shall allocate \$5,000,000.00 to a charter township with a population of between 40,000 and 50,000 in a county with a population of between 280,000 and 290,000 according to the most recent federal decennial census to construct a new senior and community center.

(2) Unexpended funds appropriated in part 1 for ARP – senior centers are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to construct a new senior and community center.

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

(c) The total estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 559. (1) From the funds appropriated in part 1 for ARP – senior centers, the department shall allocate \$4,500,000.00 to a city with a population of between 92,000 and 97,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to relocate its senior center.

(2) Unexpended funds appropriated in part 1 for ARP – senior centers are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to relocate a senior center.

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

(c) The total estimated cost of the project is \$4,500,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 560. (1) From the funds appropriated in part 1 for ARP – senior centers, the department shall allocate \$8,500,000.00 to a school district that includes a city with a population of between 4,250 and 4,750 in a county with a population of between 350,000 and 400,000 according to the most recent federal decennial census for renovation and construction costs and programming establishment costs for a senior and community center.

(2) Unexpended funds appropriated in part 1 for ARP – senior centers are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to renovate and establish programming for a senior and community center.

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

(c) The total estimated cost of the project is \$8,500,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 561. (1) From the funds appropriated in part 1 for ARP – senior centers, the department shall allocate \$10,000,000.00 to a school district that began in 1961 with its administrative office located in a charter township with a population of between 25,000 and 40,000 in a county with a population of between 105,000 and 110,000 according to the most recent federal decennial census to construct a new multigenerational center.

(2) Unexpended funds appropriated in part 1 for ARP – senior centers are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to construct a new multigenerational center.

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

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 562. Unexpended funds appropriated in part 1 for ARP - senior project fresh enhancement are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to create an electronic implementation solution for senior project fresh, enhance nutrition education, and develop alternatives for communities without internet accessibility.

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

(c) The estimated cost of the project is \$1,200,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 563. Unexpended funds appropriated in part 1 for ARP - sexually transmitted disease prevention and control are designated as work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support training in new disease surveillance techniques, contractual costs, administrative costs, multimedia campaigns, and information technology activities supporting the Michigan integrated data application system for sexually transmitted infections and HIV.

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

(c) The total estimated cost of the project is \$27,696,800.00.

(d) The tentative completion date is September 30, 2027.

Sec. 564. Unexpended funds appropriated in part 1 for ARP - strengthening U.S. public health infrastructure, workforce, and data systems are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support prevention, preparedness, and response to emerging health threats, to improve outcomes for other public health areas, and to ensure this state has the people, services, and systems in place to promote and protect public health.

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

(c) The total estimated cost of the project is \$80,880,600.00.

(d) The tentative completion date is September 30, 2027.

Sec. 565. Unexpended funds appropriated in part 1 for ARP - vaccine support are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to continue to support immunization and vaccine efforts to address the COVID-19 pandemic across this state.

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

(c) The total estimated cost of the project is \$36,095,900.00.

(d) The tentative completion date is September 30, 2027.

Sec. 566. (1) Subject to subsection (2), funds appropriated in part 1 for behavioral health care services and facilities shall be allocated to a hospital located in a county with a population greater than 1,500,000 according to the most recent federal decennial census, with Medicaid-eligible patient volumes that are 50% or higher, and that has a level 1 verified pediatric trauma center.

(2) As a condition of receiving funds under this section, a hospital must agree to decline, not to apply for, or in any other way receive any funds the hospital would otherwise qualify for under section 1965(1)(i) of article 6 of 2022 PA 166.

JUDICIARY

Sec. 576. Unexpended funds appropriated in part 1 for juvenile justice data management project are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to establish a juvenile probation data software application that has the ability to interface and connect with the larger statewide judicial case management system.

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

(c) The total estimated completion cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2025.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 601. (1) Funds appropriated in part 1 for tri-share child care program must be awarded for continuation of the child care facilitator pilot project originally initiated and funded in section 1047(31) of article 5 of 2020 PA 166.

(2) Funds must be used to fund existing child care facilitator hubs. The department may fund new child care facilitator hubs if sufficient funding exists to support all existing hubs, including hubs currently funded with private revenue. Adding new hubs must increase the number of participating counties or serve statewide employers.

(3) Any child care facilitator receiving funds under this section must be a nonprofit, limited liability company, C-corporation, S-corporation, or sole proprietor.

(4) Not more than \$200,000.00 may be used for administration of the program.

Sec. 602. Up to \$500,000,000.00 from the strategic outreach and attraction reserve fund is appropriated to the strategic outreach and attraction reserve fund established in section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254. Funds appropriated in this section must be used to support activities under section 88s or 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s and 125.2088t, after they have been transferred to another line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Under section 4(2) of the Michigan trust fund act, 2000 PA 489, MCL 12.254, funds

appropriated under this section that are not restricted, obligated, or committed at the close of the fiscal year must lapse to the general fund.

Sec. 603. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000,000.00 for state restricted contingency authorization for the department. 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. 604. (1) Funds appropriated in part 1 for revitalization and placemaking program must be expended for projects as described in section 696 of the income tax act of 1967, 1967 PA 281, MCL 206.696.

(2) Unexpended funds appropriated in part 1 for revitalization and placemaking program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support revitalization and placemaking projects.
- (b) The project will be accomplished by utilizing state employees, the Michigan economic development corporation, or contracts.
- (c) The total estimated cost of the project is \$50,000,000.00.
- (d) The tentative completion date is September 30, 2027.

Sec. 605. (1) Funds appropriated in part 1 for Michigan housing and community development program must be expended for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

(2) Unexpended funds appropriated in part 1 for Michigan housing and community development program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support housing projects as authorized under sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

- (c) The total estimated cost of the project is \$50,000,000.00.
- (d) The tentative completion date is September 30, 2027.

Sec. 606. (1) Funds appropriated in part 1 for ARP – Michigan reconnect expansion to 21 must be used by the department for a limited-time program supported with federal funds to provide last-dollar financial assistance to eligible individuals who are at least 21 years of age and seeking associate degrees, industry-recognized certificates, or credentials. The program is intended to respond to the COVID-19 public health emergency and its negative impacts on college enrollment and learning for individuals not less than 21 years of age and not more than 24 years of age attending college. Funds appropriated in part 1 must be expended to award grants to eligible institutions consistent with the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, to eligible students as defined in this section and to administer the program outlined in this section.

(2) Except as provided under subsection (3), the department must develop and implement the limited-time and federally funded program similar to requirements outlined in the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723.

(3) To receive an initial grant under this section, an eligible individual must meet both of the following requirements:

(a) Be not less than 21 years of age and not more than 24 years of age between October 1, 2023 and December 31, 2024 and have had their education disrupted by COVID-19 by not having previously earned an associate or bachelor's degree.

(b) Complete the application in a timely manner and in a form and manner determined by the department.

(4) The department must develop program guidelines and eligibility criteria for the program and must post the information on its publicly accessible website. Under federal regulations, the department must develop and implement an application process that obligates grants to eligible individuals by December 31, 2024. The department must expend obligated funds before December 31, 2026. If funding in part 1 is not sufficient to fully award grants to all eligible applicants, the department must make awards in the order in which applications are received.

(5) The department may use funds appropriated in part 1 for outreach, enrollment support, and marketing of the program, as well as for providing support services to enrolled program participants to remove barriers to degree or credential completion.

(6) From the funds appropriated in part 1 for ARP – Michigan reconnect expansion to 21, the department may use up to 7% for administration, including hiring limited-term employees.

(7) If a student has enrolled in the program and has maintained eligibility through December 31, 2026, when federal funding expires, it is the intent of the department to find ways to continue supporting these students to facilitate associate degree completion.

(8) Unexpended funds appropriated in part 1 for ARP – Michigan reconnect expansion to 21 are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide last-dollar financial assistance to eligible individuals who are at least 21 years old and seeking associate degrees, industry-recognized certificates, or credentials.

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

(c) The total estimated cost of the project is \$70,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 607. (1) Funds appropriated in part 1 for ARP – missing middle gap program must be used by the Michigan state housing development authority to create a missing middle housing program to increase the supply of housing stock, in response to the negative economic impacts of the pandemic, for employees by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties that are targeted to missing middle households.

(2) As used in this section:

(a) “Agreement” means an agreement between a developer and the authority pursuant to subsection (8).

(b) “Agreement counterparty” means the counterparty to an agreement, including the developer or any transferee or assignee of the developer’s rights and obligations under an agreement pursuant to subsection (8).

(c) “Area median income” means the median income for the area as published annually by the United States Department of Housing and Urban Development, another governmental entity as selected by the authority, or another research institution as selected by the authority.

(d) “Attainable” means rent or a sale price resulting in a final mortgage payment not higher than 30% of the gross annual income of a missing middle household.

(e) “Authority” means the Michigan state housing development authority created by the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(f) “Final mortgage payment” means a mortgage payment calculated by the developer that must include principal, interest, taxes, insurance, private mortgage insurance, association fees or lease payments, or fees related to participation in a community land trust in accordance with financing assumptions consistent with market conditions as determined by the program administrator.

(g) “Housing unit” means a dwelling of less than 2,000 square feet, available for sale or lease on a permanent or year-round basis, that has a permanent foundation, electrical, heating and cooling, plumbing, bathing and restroom facilities, kitchen, and sleeping spaces, all of which meet building code requirements sufficient to achieve a certificate of occupancy.

(h) “Local support” means 1 or a combination of the following forms of support provided by a local unit of government:

(i) Financial contributions or grants in an amount equal to or exceeding \$5,000.00.

(ii) A tax abatement provided to a project in accordance with state law.

(iii) Tax increment revenues captured by a local unit of government and committed to a project in accordance with a tax increment finance and development plan.

(iv) Land transferred from the local unit of government at a cost of not more than \$1,000.00 per housing unit.

(v) Any other form of support provided by a local unit of government determined by the program administrator to constitute local support for purposes of this section.

(i) “Local unit of government” means a city, village, township, county, or any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision.

(j) “Missing middle household” or “missing middle households” means a household or households as defined by the authority. The authority’s definition must be supported by housing data and comply with rules and regulations established by the American rescue plan act of 2021, Public Law 117-2, specifically all regulations and requirements around the use of the coronavirus state fiscal recovery fund.

(k) “Program administrator” means the executive director of the authority.

(l) “Project” means the construction or substantial rehabilitation of 1 or more housing units made available at a price or lease rate that is attainable to a missing middle household.

(m) “Qualified real estate developer” means a landbank, local government, or nonprofit or for-profit developer.

(n) “Rural community” means any geography designated by the United States Department of Agriculture Office of Rural Development as rural for purposes of its single-family housing guaranteed loan program.

(o) “Substantial rehabilitation” means rehabilitation of a housing unit that requires a financial investment of at least \$25,000.00.

(3) All of the following apply regarding the missing middle housing program:

(a) The missing middle housing program is created under the jurisdiction and control of the authority and may be administered by the authority in accordance with the provisions of this section. In developing program guidelines and design, the authority must receive the concurrence of the executive director of the state land bank.

(b) The authority must expend funds under this section only for the purposes of making awards as provided in subsection (4) and paying the costs of administering the program.

(c) The authority must develop and implement the use of forms, applications, agreements, and any other documents necessary or appropriate to implement this section and carry out its duties under this section.

(d) At least 30% of the dollar amount of awards under this section must be allocated to projects in rural communities, including, but not limited to, projects located in the Upper Peninsula.

(e) Not more than 15% of the dollar amount of awards under this section must be allocated to projects in any single city, village, or township.

(4) All of the following apply regarding the approval and award of a grant under this section:

(a) Subject to subdivision (b), upon satisfaction of the conditions set forth in subsection (6), the program administrator is required to set limits on the amount of missing middle funding per unit a project can receive.

(b) The maximum amount that may be awarded to a project for a housing unit under this section is limited to the actual labor and material cost of construction or substantial rehabilitation of the housing unit.

(5) To qualify as a developer under this section, the developer must be a qualified real estate developer as defined in this section and satisfy all of the following conditions:

(a) The developer must pass a criminal and civil background check of key employees satisfactory to the program administrator.

(b) The developer must not be under debarment with the United States government.

(c) The developer must demonstrate to the program administrator that it has the capacity to complete the construction of the project, and that it has the ability to implement rent restrictions and purchaser restrictions for the terms specified in the agreement for the project. The developer may contract with 1 or more entities that will provide materials or services in order to assist in meeting the capacity thresholds described in this subdivision.

(6) All of the following conditions apply to a grant award under this section:

(a) To qualify for a grant under this section, a project must meet all of the following conditions, as determined by the program administrator:

(i) The project must consist of new construction, substantial rehabilitation, or a combination of both.

(ii) The developer must demonstrate site control, identify the project general contractor, and provide a preliminary budget reflecting the ability to complete the project.

(iii) The construction quality, design, and location of the project must be appropriate for the area in which the project will be developed. The program administrator may require preapproval of designs and plans and may condition approval on certain minimum design and quality of construction standards.

(iv) The developer must demonstrate that it has not received and will not receive low-income housing tax credits for the project.

(v) The developer must demonstrate that the project has received or will receive local support.

(vi) The developer must propose a method or methods by which it will ensure to the satisfaction of the program administrator that each housing unit will remain attainable for a period of 10 years for rental deals and 5 years for for-sale deals following the disbursement of funds to the developer. The program administrator shall work with developers to make efforts to keep properties developed under this program attainable for missing middle households beyond these initial timelines.

(b) Application for approval under this subsection must be made in the form and manner prescribed by the program administrator.

(7) To receive a distribution of funds from a grant approved under this section, a project must meet all of the following conditions, as applicable:

(a) A project must secure a certificate of occupancy within 24 months from the date of execution of the agreement for the project.

(b) The developer may seek an extension of the time periods described in this subsection, not to exceed a total development time frame of 36 months, from the program administrator.

(c) The developer must have implemented the method or methods approved to ensure a project is attainable as described in subsection (6)(a)(vi).

(8) The terms and conditions for the distribution of awarded funds must be set forth in an agreement between the agreement counterparty and the program administrator as follows:

(a) The agreement may contain continuing obligations of the agreement counterparty for the term of the agreement to ensure that the project is attainable as described in subsection (6)(a)(vi).

(b) A developer may convey the project and transfer or assign the developer's rights and obligations under the related agreement to a third party only after the developer has satisfied the conditions of subsection (7) and received the distribution of grant funds.

(c) The agreement must require that the agreement counterparty provide all of the following information to the program administrator as of the date of the certificate of occupancy for the project:

(i) Total number of total housing units developed within the project.

(ii) Number of housing units in the project qualifying for the grant.

(iii) Total square footage of project.

(iv) Total project costs.

(v) Total project costs not arising from a grant under this section.

(d) The agreement must require that the agreement counterparty provide the following information annually during the term of the agreement:

(i) For a project consisting of housing units for sale, the price of each housing unit within the project sold during the reporting year.

(ii) For a project consisting of housing units for rent, each of the following:

(A) A statement of the rental rate of each housing unit for rent within the project during the reporting year.

(B) A statement of the income stated on tenant applications for the project during the reporting year.

(C) A statement of the occupancy rate of the project during the reporting year.

(9) The program administrator may in any year adjust any dollar amount provided in this section by a percentage equal to or less than the Consumer Price Index for that year.

(10) The unexpended funds appropriated in part 1 for ARP – missing middle gap program are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures 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:

(a) The purpose of the project is to expand access to housing stock for missing middle households.

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

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 608. (1) Funds appropriated in part 1 for ARP - talent action teams are appropriated to the Michigan strategic fund and shall be granted or transferred to the Michigan economic development corporation for operation of the talent action teams fast track system. Funds shall be used by the Michigan strategic fund and Michigan economic development corporation to provide or contract for services to provide specialized economic assistance to qualified businesses that are locating or expanding in this state. The Michigan strategic fund and Michigan economic development corporation shall collaborate with institutions of higher education, community colleges, Michigan Works agencies, private training providers, nonprofit entities, state agencies, and local units of government to tailor talent solutions, provide customized employee recruitment and screening, and provide workforce training for businesses that are locating or expanding in this state. Services may include, but are not limited to, the following:

(a) Develop an easy-to-use internet-based gateway to qualified businesses that clearly communicates talent and workforce resources that are available to qualified businesses that are locating or expanding in this state.

(b) Design of custom high-quality workforce training with input from employers that may include employer-led collaboratives.

(c) Provide resources to assist in recruitment of talent to this state.

(d) Facilitate contracting with third parties to provide workforce training. Third parties may include 1 or more of the following:

(i) Institutions of higher education.

(ii) Community colleges.

(iii) Michigan Works agencies.

(iv) Private training providers.

(v) Other workforce training entities.

(e) Recruitment and screening of job seekers on behalf of qualified businesses.

(f) Human resource and project management support for qualified businesses.

(g) Scholarships and resources for individuals qualifying for in-demand occupations.

(2) Unexpended funds appropriated in part 1 for ARP – talent action teams are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide specialized economic assistance to qualified businesses that are locating or expanding in this state.

(b) The project will be accomplished by utilizing state employees, the Michigan economic development corporation, or contracts with service providers.

(c) The total estimated cost of the project is \$15,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 609. (1) Funds appropriated in part 1 for deployment and access to broadband must be used to operate a program or programs, consistent with the requirements of the broadband equity, access, and deployment (BEAD) program under title I of division F of the infrastructure investment and jobs act, Public Law 117-58, and any subsequent federal rules that apply to the program.

(2) After receiving funding to implement this section, and after federal approval, the department of labor and economic opportunity must allocate funds and satisfy requirements as prescribed under this section.

(3) The department shall consider cooperatives, nonprofits, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments for eligibility to deploy and access broadband funds appropriated in part 1 and shall not unduly favor any of these entities.

(4) By October 1 and March 1 of each year until the funds appropriated in part 1 for deployment and access to broadband have been fully expended, the department shall provide a report to the senate and house appropriations committees and to the senate and house fiscal agencies on the status of the funds appropriated in part 1 for deployment and access to broadband and allocated under this section. The report must include, but is not limited to, all of the following:

(a) The amount of funds awarded or obligated at the time of the report.

(b) Programs developed and administered to implement this section.

(c) Department objectives and measurable outcomes used to monitor implementation.

(d) The number, amount, and type of awards issued to entities identified in subsection (3).

(e) The type and long-term sustainability of broadband infrastructure funded.

(f) Implementation of digital equity and affordability initiatives to support funds.

(g) Community engagement and outreach activities undertaken to guide the allocation of funds.

(h) The status of high-speed broadband availability across this state.

(5) Unexpended funds appropriated in part 1 for deployment and access to broadband are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to operate a program or programs, consistent with the requirements of the broadband equity, access, and deployment program under title I of division F of the infrastructure investment and jobs act, Public Law 117-58, and any subsequent federal rules that apply to the program.

(b) The project will be accomplished by utilizing state employees, the Michigan economic development corporation, or contracts with service providers.

(c) The total estimated cost of the project is \$1,600,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 610. Funds appropriated in part 1 for enhancement grants must be allocated as follows:

(a) \$240,000.00 to a township with a population of between 90,000 and 93,000 according to the most recent federal decennial census to complete the construction of a culvert project to expand pedestrian access to a neighborhood park.

(b) \$15,000,000.00 to a county with a population of between 370,000 and 380,000 according to the most recent federal decennial census to supplement county funding for a recreation and community center to expand accessibility to recreation, health and wellness services, and supportive social services.

Sec. 611. Unexpended funds appropriated in part 1 for global epicenter of mobility Detroit region – talent, proving, and demonstration are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support proving, testing, and demonstration efforts in the advanced-mobility industry.

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

(c) The total estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 612. Unexpended funds appropriated in part 1 for office of global Michigan are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide refugee resettlement benefits and services to support specific Ukrainian populations and other non-Ukrainian individuals, in accordance with federal law.

(b) The project will be accomplished by utilizing state employees, the Michigan economic development corporation, or contracts.

(c) The total estimated cost of the project is \$7,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 613. In addition to funds appropriated in part 1, private funds received by the department for the population commission are appropriated and may be expended for creation, implementation, and administration of the commission and its activities, with the goal of providing recommendations on how to increase this state's resident population.

Sec. 614. Funds appropriated in part 1 for road infrastructure grants must be used by the Michigan strategic fund to support road and other infrastructure projects associated with economic development projects. Funds appropriated in part 1 must be allocated as follows:

(a) \$18,200,000.00 for road and other infrastructure projects associated with an economic development project located in a county with a population of between 109,000 and 109,500 according to the most recent federal decennial census.

(b) \$10,000,000.00 for road projects associated with an economic development project located in a county with a population of between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

Sec. 615. (1) Funds appropriated in part 1 for special events and national convention attraction must be used by the Michigan strategic fund to promote this state as a destination for special events, including, but not limited to, national conventions, national conferences, major sporting events, or other significant events that would feature Michigan to a national audience.

(2) The Michigan strategic fund must develop program guidelines for the use of these funds. Funds may be used to help attract eligible special events and to support costs associated with hosting eligible events. Eligible events must meet the following requirements:

(a) The event must have a regular attendance of more than 500 people.

(b) The event must not have been hosted in Michigan during the 2022 calendar year.

(c) Other eligibility criteria as determined by the Michigan strategic fund.

(3) Of the funds appropriated in part 1 for special events and national convention attraction, \$2,000,000.00 must be used to support an auto grand prix event located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(4) Of the funds appropriated in part 1 for special events and national convention attraction, \$250,000.00 must be used to support a convention administered by the nation's largest nonpartisan organization serving all 3 branches of state elected and appointed officials.

(5) Unexpended funds appropriated in part 1 for special events and national convention attraction are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to promote this state as a destination for special events and support costs related to hosting eligible events.

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

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 616. (1) Funds appropriated in part 1 for targeted energy investment must support efforts to restart a Michigan-based nuclear power generation facility capable of producing less than 1,000 megawatts that was in service as of January 1, 2022 but is not currently producing electricity.

(2) Funding appropriated in part 1 for targeted energy investment is contingent on conditional commitments from the United States Department of Energy for the support of efforts to restart the facility.

(3) Funding must be used to repower a critical, carbon-free energy source and economic driver for this state. The legislature finds and declares the appropriation described in this section is for a public purpose, including providing for reliable, adequate, and available energy resources in this state.

(4) The department of labor and economic opportunity must execute a grant agreement with the power generation facility described in subsection (1). The grant funds, subject to subsection (2), must be disbursed by the department of labor and economic opportunity as determined by the grant agreement. The grant agreement must provide that not more than 50% of the funds be allocated as an advance payment, with the balance to be disbursed when documentation has been provided by the recipient to the satisfaction of the department of labor and economic opportunity that the first disbursement has been fully expended. All remaining funds must be disbursed quarterly on a reimbursement basis for eligible expenses as outlined in the grant agreement. The department of labor and economic opportunity may also include other provisions in the grant agreement, including, but not limited to, the rescission of funds, reporting requirements, audit, record retention, and information requests, at its discretion.

(5) The department of labor and economic opportunity must submit a report not later than September 30 to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the overall status of this investment, whether any federal funds have been committed by the United States Department of Energy, the recipient and amount of state funds expended, and the timeline for the restart of the facility.

(6) Unexpended funds in part 1 for targeted energy investment are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide financial support for efforts to restart the nuclear power generation facility under this section.

(b) All funds will be distributed in accordance with this section and any grant guidelines or grant agreements required by the department of labor and economic opportunity.

(c) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(d) The estimated cost of the project is \$150,000,000.00.

(e) The tentative completion date is September 30, 2027.

Sec. 617. From the funds appropriated in part 1, the department may hire limited-term employees and may expend up to 2.5% of each of the appropriations for administrative implementation and oversight of programs, unless otherwise specified.

LEGISLATURE

Sec. 651. (1) Funds appropriated in part 1 for Michigan state capitol commission must be allocated as follows:

(a) \$5,000,000.00 to provide security staffing, infrastructure improvements, and equipment, including, but not limited to, X-ray machines, magnetometers, and video and audio equipment necessary to implement a weapons ban, including a ban on concealed pistols under 1927 PA 372, MCL 28.421 to 28.435, in any building or portion of a building under control of the Michigan state capitol commission.

(b) \$100,000.00 for the support of a Native American powwow. The Michigan state capitol commission must distribute funds received under this subsection as a grant to a state registered vendor to operate the Native American powwow.

(2) Unexpended funds in part 1 for Michigan state capitol commission are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure 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:

(a) The purpose of the projects is to provide security in buildings under control of the Michigan state capitol commission and to operate the Native American powwow.

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

(c) The estimated cost of the projects is \$5,100,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Sec. 676. Funds appropriated in part 1 for Selfridge Air National Guard base must be used to support costs of complying with air installation compatible use zone program requirements and projects to attract new aircraft flying missions to Selfridge Air National Guard base. Funding must be used for, but is not limited to, improving roadway and vehicle access, environmental assessments and studies, appraisals, repairs, maintenance, and capital improvements to the runway and other infrastructure projects.

DEPARTMENT OF NATURAL RESOURCES

Sec. 701. In addition to the funds appropriated in part 1, the department may receive and expend funds from state restricted sources to pay vendor costs associated with administering sales of carbon offset credits.

Sec. 702. Unexpended funds appropriated in part 1 for Brandon Road interbasin project are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support the state share of nonfederal match for planning, engineering, and construction of the Brandon Road interbasin project to keep invasive carp out of the Great Lakes.

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

(c) The total estimated cost of the project is \$64,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 703. From the funds appropriated in part 1 for ARP – Belle Isle Park infrastructure, the department shall allocate \$10,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population greater than 600,000 according to the most recent federal decennial census, for upgrades to heating, ventilation, and air conditioning systems at an aquarium located in a city-owned park that is managed by this state.

Sec. 704. From the funds appropriated in part 1 for Flint State Park, \$22,200,000.00 is deposited to an endowment fund created to support Flint State Park that is managed by a 501(c)(3) tax-exempt public charity established in 1988 through the merger of The Flint Public Trust and the Flint Area Health Foundation. The remaining \$800,000.00 shall be used to support operations and maintenance at Flint State Park.

DEPARTMENT OF STATE

Sec. 751. (1) Funds appropriated in part 1 for election administration and services and financed from the election administration and support fund are available to implement the provisions and requirements of Proposals 22-1 and 22-2 that include, but are not limited to, early voting, drop boxes, prepaid postage, absent voting ballot tracking, a permanent absent voter list, and campaign finance reporting in compliance with section 4 of article II and section 10 of article IV of the state constitution of 1963.

(2) Unexpended funds appropriated in part 1 for election administration and services and financed from the election administration and support fund for implementation of Proposals 22-1 and 22-2 are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement requirements of Proposals 22-1 and 22-2.

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

(c) The total estimated completion cost of the project is \$11,500,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF STATE POLICE

Sec. 801. (1) Funds appropriated in part 1 for strategic training initiatives must be used to support nonbondable components of the proposed training infrastructure in anticipation of a future capital outlay project for the remainder of the intended project. The department must coordinate with the department of technology, management, and budget and the state building authority on the current and future planning and development of the project.

(2) Unexpended funds appropriated in part 1 for strategic training initiatives are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support strategic training initiatives.

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

(c) The estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 851. (1) Funds appropriated in part 1 for actuarial study must be used to conduct a supplemental actuarial analysis for pension systems that have a proposed pension benefit change or proposed consolidation into another pension system. The supplemental actuarial analysis must be conducted and provided to the pension board in accordance with section 20h of the public employee retirement system investment act, 1965 PA 314, MCL 38.1140h.

(2) Unexpended funds appropriated in part 1 for actuarial study are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be

available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide supplemental actuarial analysis for pension systems that have a proposed pension benefit change or proposed consolidation into another pension system.

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

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date for the work project is September 30, 2027.

Sec. 852. Unexpended funds appropriated in part 1 for IJJA - state and local cybersecurity grant program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be made available for expenditure in accordance with the infrastructure investment and jobs act, Public Law 117-58, as authorized by section 2220A of the homeland security act of 2002, 6 USC 665g, and any other applicable federal and state rules and regulations. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support activities related to the state and local cybersecurity grant program, which include, but are not limited to, operating a cybersecurity planning committee, developing or revising a federally approved cybersecurity plan, and administering grant awards.

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

(c) The total estimated cost of the project is \$31,457,200.00.

(d) The tentative completion date is September 30, 2027.

Sec. 853. (1) Funds appropriated in part 1 for make it in Michigan are available to leverage federal funding opportunities that include, but are not limited to, infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, or other funding opportunities administered by the federal government. Funding opportunities may be in the form of formula or competitive-based grants, cooperative agreements, or contracts, and may include funds contained in the infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any other federal acts.

(2) Funds are available to provide for match requirements only after other state resources or funds associated with the purpose of the federal funding opportunity are exhausted. The match may be for direct federal grants or to facilitate indirect participation in other federal funding opportunities. Not more than \$10,000,000.00 shall be used to provide for technical assistance and support to local units of government, state agencies, and other nonprofit entities that may be actively seeking or partnering with state agencies in a federal funding opportunity as described in subsection (1). The department must develop program guidelines and eligibility criteria for federal program match opportunities.

(3) The Michigan infrastructure office, in collaboration with the state budget director, must form an interagency evaluation committee that includes the department of environment, Great Lakes, and energy, the department of labor and economic opportunity, the state transportation department, the Michigan strategic fund, or other entities at the discretion of the Michigan infrastructure office, to develop program guidelines and selection criteria for the disbursement of funds. The interagency evaluation committee must make recommendations to the director of the department and the state budget director on the disbursement of funds.

(4) Unexpended funds appropriated in part 1 for make it in Michigan are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to leverage federal funding opportunities that include, but are not limited to, support for infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, or other programs or funding opportunities administered by the federal government.

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

(c) The total estimated cost of the project is \$50,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 854. In addition to the funds appropriated in part 1, the department may receive and expend funding from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Deposits made under this section and unencumbered funds are restricted revenues and must be carried over into succeeding fiscal years.

Sec. 855. The cost to construct the Schoolcraft College's applied science renovation and expansion project, originally authorized for construction in 2018 PA 618 and reauthorized in 2020 PA 66, is hereby reduced by \$1,806,000.00 to a new total project cost of \$22,480,600.00 (total state building authority share \$9,999,800.00; Schoolcraft College share \$12,480,600.00; state general fund/general purpose share \$200.00).

Sec. 856. There is appropriated from state general fund/general purpose revenue, for the fiscal year ending September 30, 2023, beyond any amounts previously deposited, the sum of \$100,000,000.00 for deposit into the countercyclical budget and economic stabilization fund created in section 351 of the management and budget act, 1984 PA 431, MCL 18.1351.

DEPARTMENT OF TREASURY

Sec. 901. Revenue collected in the qualified heavy equipment rental personal property exemption reimbursement fund is appropriated and must be distributed under section 9 of the qualified heavy equipment rental personal property specific tax act, 2022 PA 35, MCL 211.1129.

Sec. 902. (1) Funds appropriated in part 1 for earned income tax credit implementation must be used to support implementation and administration related to expansion of the Michigan earned income tax credit. Funds may be used to provide services that include, but are not limited to, processing returns, mailing, printing, issuing supplemental checks to qualifying taxpayers, and handling correspondence.

(2) The department may utilize limited-term employees to perform these functions for a term that ends when the funds appropriated in part 1 are exhausted.

(3) Unexpended funds appropriated in part 1 for earned income tax credit implementation are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide administrative support related to implementation of expanding the Michigan earned income tax credit.

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

(c) The total estimated cost of the project is \$925,000.00.

(d) The tentative completion date is September 30, 2027.

(4) As used in this section, "Michigan earned income tax credit" means the credit under section 272 of the income tax act of 1967, 1967 PA 281, MCL 206.272.

Sec. 903. (1) The election administration support fund is created within the department of treasury.

(2) Funds may be spent from the election administration support fund only on appropriation, or legislative transfer pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) The state treasurer may receive money or other assets from any source for deposit into the election administration support fund. The state treasurer shall direct the investment of the election administration support fund. The state treasurer shall credit to the election administration support fund interest and earnings from the election administration support fund.

(4) Funds in the election administration support fund at the close of the fiscal year remain in the election administration support fund and do not lapse to the general fund.

(5) Funds appropriated in part 1 for election administration support fund must be deposited in the election administration support fund created under this section.

Sec. 904. (1) Funds appropriated in part 1 for implementation of the rollback of the retirement tax must be used to support implementation and administration related to the changes to part 1 of the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532. Funds may be used to provide services that include, but are not limited to, costs associated with mailing, printing, or otherwise issuing supplemental checks to taxpayers, processing returns, handling correspondence with taxpayers, or any other activities necessary to administer changes to the tax code.

(2) The department may utilize limited-term employees to perform these functions for a term that ends when the funds appropriated in part 1 are exhausted.

(3) Unexpended funds appropriated in part 1 for implementation of the rollback of the retirement tax are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide support for implementation and administration related to changes to part 1 of the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532.

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

(c) The total estimated cost of the project is \$900,000.00.

(d) The tentative completion date is September 30, 2027.

REPEALERS

Sec. 1101. Section 802 of article 1 of 2022 PA 166 is repealed.

Sec. 1102. Section 330 of article 5 of 2022 PA 166 is repealed.

Sec. 1103. Section 421 of article 5 of 2022 PA 166 is repealed.

Sec. 1104. Section 818 of article 5 of 2022 PA 166 is repealed.
Sec. 1105. Section 1059 of article 5 of 2022 PA 166 is repealed.
Third: That the House and Senate agree to the title of the bill to read as follows:
A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, the legislative branch, and capital outlay for the fiscal years ending September 30, 2023 and September 30, 2024; to provide for certain conditions on the appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.
Angela Witwer Sarah Anthony
Amos O'Neal Sean McCann

Conferees for the House Conferees for the Senate
The question being on the adoption of the conference report,
The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 445 Yeas—26

Anthony	Cherry	McBroom	Polehanki
Bayer	Damoose	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Bumstead	Hertel	McMorrow	Singh
Camilleri	Huizenga	Moss	Webber
Cavanagh	Irwin	Outman	Wojno
Chang	Klinefelt		

Nays—10

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	Nesbitt	Theis
Daley	Johnson		

Excused—1

Lauwers

Not Voting—1

Victory

In The Chair: President

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Pursuant to rule 1.306, Senator Victory submitted the following:

June 28, 2023

Pursuant to rule 1.306, I will be abstaining from the vote on House Bill No. 4437 out of an abundance of caution. The Health and Human Services Department budget includes funding for the Food Bank Council of

Michigan. On account of my farm's partnership with a member food bank on the council and because it may benefit my farm financially, I will not vote on House Bill No. 4437.

I ask that my comments be printed in the Journal as my required disclosure under Senate Rule 1.306. Thank you.

Sincerely,
Roger Victory
State Senator
31st District

Senators Bumstead, Runestad, Anthony and Brinks asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Bumstead's statement is as follows:

Mr. President, regardless of which side of this chamber you sit on, no budget is perfect—and this budget is no exception. It spends too much, it grows state government, it all but eliminates our record surplus, but unlike the budget the first chamber passed, it does incorporate many Republican priorities. We're paying down debt, we're eliminating tuition increases at our universities and community colleges, we're making our schools and neighborhoods safer, and just as Republicans did for many years in the majority this budget makes a record investment in our schools.

Mr. President, I'd like to thank the Appropriations Chair for her partnership. We've come a long way from the majority rejecting 176 amendments from this side of the aisle. This budget before us incorporates many Republican priorities and I ask for a "yes" vote.

Senator Runestad's statement is as follows:

Tonight the Democratic trifecta is pushing through a state-record, wallet-busting, boondoggle of a budget, all on the backs of hard-working Michigan families. I could go on and on about the content of the budget. There are many issues, and I could take all night giving reasons to vote against this bill. But that's not all that is concerning. What is especially troubling is the utter lack of transparency throughout this budgeting process. Maybe it's fitting that they're forcing through a smoke-filled budget in the middle of smoke-filled weather. Republican vice chairs were kept in the dark from the start to near finish on this budget. Republican input was ignored throughout the committee process. House Republicans were repeatedly silenced and censored throughout the day, and we in the Senate did not even receive details on this budget until very early this evening. We are seeing plenty of smoke outside the Capitol; thanks to the Democrats we are seeing smoke and mirrors inside the Capitol.

On many parts of this budget, we don't even know disclosure or details of how the money will be spent. Taxpayers deserve to know where their money is being spent and who is benefiting from these taxpayer funds. That is why I sponsored transparency bills to fix just that. Senate Bill Nos. 319 and 320 would require every legislator to report a written statement explaining their special projects and enhancement grant requests. Who will receive the funding? Why do they deserve the funding? How will the money be used? How is the community advocating for this funding? Why the people of Michigan should pay for it? And then they must verify that the legislator or immediate family members will not benefit from this spending. These written statements would have been made available to the public to review at least 48 hours before a vote. But we couldn't even get a copy of the budget 48 hours before this vote. That's \$81 billion without proper oversight from across the aisle. Do you think my colleagues in the majority required these disclosures before we vote? All of us know the answer to that. The Michigan taxpayer will find out who requested the money, who gets the money, and other information about how the taxpayer dollars are spent eventually—45 days after we pass the budget. 48 hours before? No, 48 days after. Disclosure before a vote should be a minimum requiring transparency on how we are spending the people's money. That shouldn't be controversial.

The Democratic trifecta in Michigan is letting the taxpayer down in more ways than one. At least the majority could do was own up to it and let the people see how they're spending their money.

Senator Anthony's statement is as follows:

I'd like you to take a moment and just think about the historic vote we're about to take. I'd like to start off my remarks in the spirit of gratitude. First, to our Appropriations Committee members—both our chairs, our vice chairs, and our minority vice chairs. The public will never know how many countless hours you have spent studying the intricate details of this budget working alongside the departments, working with constituents and interest groups, to pull forth this amazing, historic budget. Appropriations members, I thank you for the work you did and the time you took to get us to this point.

I'd also like to extend gratitude and thanks for the men and women who you don't see on this floor today but without whom this budget does not happen. To our Senate Fiscal Agency team led by Kathryn and Josh, also David, Ryan, Jonah, Bruce, Michael, Elizabeth, Ellen, John, Humphrey, Bobby, and the entire Legislative Service Bureau team who again spent countless hours drafting and making sure we got to this moment.

On our budget team, I'd like to give thanks to Andy Solon and Lori Dey. These two have spent so much time making sure our priorities and the priorities of Michigan are reflected in this budget. We thank them and we honor them for their service.

For the past 40 years, too many communities, too many people, across this state have overlooked in this process. We have watched as aging infrastructure has threatened the health, safety, and well-being of Michigan residents. We've watched our small towns and cities be neglected. We've watched as businesses pass over Michigan when they think about investing in a state. Today, we have an opportunity to do better. The budget before us today in many ways is a culmination of conversations—hundreds and hundreds of conversations. Conversations on both sides of the aisle, with mayors and township supervisors; workers and small business owners; health care professionals; high school students, parents and children. Conversations in our offices, at the grocery store, the beauty salon, and at our coffee hours. And those conversations are what built this budget today. It's what made sure the priorities of the people were embedded in this budget.

After all, this is not our budget, colleagues; it is theirs. It is a culmination of their needs and their desires. We utilized our record surplus to fix local roads and bridges, to build affordable housing, to strengthen our talent pipeline through tools like Reconnect and Going Pro. These one-time dollars were used to fully fund special education and universal school meals so that no child in the state of Michigan will go to school hungry and will have to live with the stigma of that hunger. We prioritized behavioral health services and substance abuse services at the local level. We prioritized first responders and actually did something to back up the policies related to gun violence prevention. We used these dollars to improve the health of our children and their parents and communities and the environment. Building upon our work in the criminal justice reform space, we provided local communities with additional resources to our courts, to our prosecutors, and made sure programming dollars align with the juvenile justice taskforce recommendations.

As one of my colleagues would always tell me, water is life and you will see water prioritized in this budget, whether it's clean drinking water, water testing, creating the largest pot of money to help with water affordability in this state's history. This budget prioritizes replacing lead service lines and addressing PFAS and also protects our water and natural resources and increases recreational opportunities to actually enjoy them.

If you look around this chamber today, you will see the most diverse Senate in this state's history and as such, we were not shy about infusing and embedding an equity lens in every part of this budget. We made sure minority businesses and entrepreneurs, minority farmers and contractors, we prioritized environmental justice and finally gave real resources to the racial disparities task force led by our Lieutenant Governor.

I know the narrative will be that perhaps we spent too much federal funding, but if you talk to men, women, and children in the state who have not received their fair share, they would beg to differ, but we did so in a fiscally-responsible manner. We utilized this once-in-a-generation funding to actually pay down debt and put money in the state's savings accounts. Now, we are not just envisioning a better future for Michigan. We are funding it, we're materializing it, and we do so responsibly.

Lastly I will say that this year early, we promised to build a bipartisan budget. Today I can say we kept that promise. Michiganders, we don't drive on Republican roads and we don't go to Democratic elementary schools. We are one Michigan and this budget reflects that. Finally, we have taken major steps to address transparency in this budget. For the first time in the state's history, we are making investments more easily accessible so taxpayers can see where their money is being utilized.

I started my remarks talking about the various conversations that led us to this point, but those conversations don't end with tonight's vote because we know the issues that are affecting our state will continue long after we've pushed the button. These are not the end of those conversations; they're only the beginning and I hope the policies we do in this space in the future budgets to come will take seriously the least of these in the state of Michigan, that we don't just take a victory lap today, but continue to have courageous conversations in every corner of our state. I think it's something our citizens both expect and deserve.

It has truly been an honor to help lead these budget negotiations and obviously I'm asking for a "yes" vote tonight.

Senator Brinks' statement is as follows:

I am proud to rise in support of the bill before us. This budget is historic, and it is historic for all the right reasons. It is a budget that reflects the needs of Michiganders; it is a budget that reflects the values of Michiganders; and it is a budget that shows when we prioritize investments in our people and the places that we love, we can build a state where everyone has the opportunity to be successful.

There are many adjectives that describe this budget: people-focused, pragmatic, informed, responsible, transformational. To get there, it required everyone to engage in some give and take, myself included, and that's the way it should be. And the result is a budget that balances key priorities and important, specific areas of need for our individual districts and departments with common, unifying threads.

All winter and spring, the Senate Democratic majority has continued to put people at the forefront of all our budget and policy priorities, and we are extremely proud to deliver this fiscally-sound, people-centered state budget. It is a tremendous honor to hold the position I do, and to lead this group of talented people. This quality budget—the result of many, many conversations across the aisle, across the rotunda, across Capitol Avenue with the Governor's office, and in each of our 38 districts—is an achievement that we can all be very proud of.

There are many, many thank yous to go around, including Governor Whitmer, Speaker Tate, Republican Leaders Nesbitt and Hall, and their teams. The good people of the Legislative Service Bureau have literally been working around the clock to complete the massive physical document that is the budget. They are meticulous and tireless and they have done an incredible job keeping track of every line in every bill. Likewise, the Senate Fiscal team, led by Kathryn Summers and Josh Sefton, have been expert resources for us in crafting a budget that truly works for the people of Michigan.

Thank you to members of both caucuses' policy and communication teams. On my staff, I want to extend my deepest gratitude to Nancy Green, Desmond Miller, Alex Rossman and their staff—Adam, David, Collin, Martin, Steven, Mikhail, Jennifer, Allison, Patrick, Brianna, Rosie, Charlotte, Dan, Emily, Erica, the Jaimes, Jeff, Matt, Shannon, and Virginia. And none of this could have been done without my office staff, DeKee, Kate, Gabby, Reese, Ashly, and Teresa, who kept everything running on time—as best we could.

All of you who have been involved in this process know that Lori Dey and Andy Solon are the true horsepower behind these budgets, and their skill and dedication is unmatched. Thank you for sacrificing your Junes, and Mays, and Aprils, in the name of getting this done. You have put your all into making this a product that we can all be proud of, and you were very successful.

To anyone who may have made the mistake of underestimating the new majority's ability to get this job done both well and on time, you didn't know about the secret weapon that I have in my chief of staff, Kathleen O'Reilly Farhat. Thank you, Kathleen.

To the members on Appropriations, the subcommittee chairs and your staff—thank you for treating this job with the seriousness it deserves. Budgets are a values statement and I hope each of you see your values reflected in the bills that we are about to vote on.

Lastly, I want to acknowledge the incredible leadership of the Senator from the 21st District. Chairwoman, you have been a force of nature and never once got distracted from the end goal, and you made it look easy. Thank you for raising your hand and taking on this herculean task, and doing it with so much grace.

In our earliest conversations about this budget, we knew that we wanted the final product to be focused on making it easier to raise a family in Michigan, promoting safe and thriving neighborhoods, earning a decent paycheck and keeping more of it in your pocket at the end of the month, and ensuring that we can keep prioritizing the things that matter most to us here in Michigan. And I am so proud that you can see those day-one values woven throughout this budget. Thank you, Mr. President. And colleagues, I urge your "yes" vote.

Senator Singh moved that Joint Rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

Senate Bill No. 173

The motion prevailed, a majority of the members serving voting therefor.

Senator Camilleri submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 173, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11x, 15, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31d, 31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 67d, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 99ee, 101, 104, 104f, 104h, 107, 121, 147, 147a, 147b, 147c, 147e, 152a, 152b, and 163 (MCL 388.1603, 388.1604, 388.1606, 388.1606a, 388.1611,

388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1667d, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699ee, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 55, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147e, 152a, and 152b as amended and sections 11x, 27a, 27b, 27c, 31aa, 32n, 32t, 41b, 51e, 67d, and 99ee as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 122, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 11z, 12a, 12c, 23g, 27g, 27k, 27l, 27n, 27o, 27p, 27q, 30d, 31k, 31l, 31ff, 32e, 32m, 33, 35k, 35l, 35m, 61j, 61k, 61l, 61m, 67f, 74b, 97g, 98d, 99a, 99b, 99c, 99d, 99e, 99f, 99g, 99n, 99ff, 99gg, 99hh, and 99ii; and to repeal acts and parts of acts.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the House and Senate agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11w, 11x, 15, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31d, 31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d, 35f, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67c, 74, 81, 94, 94a, 95b, 97a, 97e, 98, 99h, 99s, 99t, 99u, 99x, 99aa, 99ee, 101, 104, 104f, 104h, 104i, 107, 121, 147, 147a, 147b, 147c, 147e, 152a, 152b, 163, 201, 202a, 206, 207a, 207b, 207c, 219, 223, 229a, 230, 232, 236b, 236c, 236h, 236j, 236k, 241, 248, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 275, 276, 277, 278, 279, 280, 281, 282, 283, and 296 (MCL 388.1603, 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611w, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1635f, 388.1635h, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667c, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1697e, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1699ee, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1819, 388.1823, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836h, 388.1836j, 388.1836k, 388.1841, 388.1848, 388.1848a, 388.1851, 388.1852, 388.1854, 388.1856, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1896), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 35d, 35f, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147e, 152a, 152b, 201, 202a, 206, 207a, 207b, 207c, 229a, 230, 236b, 236c, 236h, 241, 252, 256, 259, 260, 263, 264, 268, 269, 270c, 275, 276, 277, 278, 280, 281, and 282 as amended and sections 11x, 27a, 27b, 27c, 31aa, 32n, 32t, 41b, 51e, 67c, 97e, 99ee, 104i, and 236k as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, sections 56, 236, 236j, and 251 as amended and sections 248 and 248a as added by 2022 PA 122, section 121 as amended by 2006 PA 342, section 163 as amended by 2021 PA 15, section 219 as amended by 2016 PA 249, section 223 as amended by 2021 PA 86, section 254 as amended by 2017 PA 108, sections 263a and 283 as amended by 2019 PA 62, and section 296 as amended by 2020 PA 165, and by adding sections 11v, 11z, 11aa, 12a, 12b, 12c, 22k, 22l,

23g, 23h, 23i, 25k, 27g, 27h, 27i, 27j, 27k, 27l, 27m, 27n, 27o, 27p, 27q, 29, 30d, 30e, 31k, 31r, 31ff, 32e, 32v, 32w, 32x, 33, 35i, 35j, 35k, 35l, 61j, 61k, 61l, 61m, 61n, 61o, 61p, 61q, 61r, 61s, 61t, 61u, 67f, 67g, 74b, 97g, 97i, 97j, 97k, 97l, 98d, 99a, 99b, 99d, 99e, 99f, 99g, 99m, 99n, 99ff, 99gg, 99hh, 99ii, 99jj, 99kk, 99ll, 107a, 147f, 164i, 216c, 217a, 217b, 236m, 236n, 241a, 241b, 241c, 241d, 263b, 275k, and 284a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 3. (1) “Average daily attendance”, for the purposes of complying with federal law, means 92% of the pupils counted in membership on the pupil membership count day, as defined in section 6(7).

(2) “Board” means the governing body of a district or public school academy.

(3) “Center” means the center for educational performance and information created in section 94a.

(4) “Community district” means a school district organized under part 5b of the revised school code, MCL 380.381 to 380.396.

(5) “Cooperative education program” means a written voluntary agreement between and among districts to provide certain educational programs for pupils in certain groups of districts. The written agreement must be approved by all affected districts at least annually and must specify the educational programs to be provided and the estimated number of pupils from each district who will participate in the educational programs.

(6) “Department”, except as otherwise provided in this article, means the department of education.

(7) “District” means, except as otherwise specifically provided in this act, a local school district established under the revised school code or, except in sections 6(4), 6(6), 11x, 11y, **11aa, 12c**, 13, 20, 22a, 22p, **27l**, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.

(8) “District of residence”, except as otherwise provided in this subsection, means the district in which a pupil’s custodial parent or parents or legal guardian resides. For a pupil described in section 24b, the pupil’s district of residence is the district in which the pupil enrolls under that section. For a pupil described in section 6(4)(d), the pupil’s district of residence is considered to be the district or intermediate district in which the pupil is counted in membership under that section. For a pupil under court jurisdiction who is placed outside the district in which the pupil’s custodial parent or parents or legal guardian resides, the pupil’s district of residence is considered to be the educating district or educating intermediate district.

(9) “District superintendent” means the superintendent of a district or the chief administrator of a public school academy.

Sec. 4. (1) “Elementary pupil” means a pupil in membership in grades K to 8 in a district not maintaining classes above grade 8 or in grades K to 6 in a district maintaining classes above grade 8 or a child enrolled and in regular attendance in a publicly funded prekindergarten setting.

(2) “Extended school year” means an educational program conducted by a district in which pupils must be enrolled but not necessarily in attendance on the pupil membership count day in an extended year program. The mandatory clock hours must be completed by each pupil not more than 365 calendar days after the pupil’s first day of classes for the school year prescribed. The department shall prescribe pupil, personnel, and other reporting requirements for the educational program.

(3) “Fiscal year” means the state fiscal year that commences October 1 and continues through September 30.

(4) “High school equivalency certificate” means a certificate granted for the successful completion of a high school equivalency test.

(5) “High school equivalency test” means the G.E.D. test developed by the GED Testing Service, the HISET exam developed by Educational Testing Service (ETS), **administered by PSI Services**, or another comparable test approved by the department of labor and economic opportunity.

(6) “High school equivalency test preparation program” means a program that has high school level courses in English language arts, social studies, science, and mathematics and that prepares an individual to successfully complete a high school equivalency test.

(7) “High school pupil” means a pupil in membership in grades 7 to 12, except in a district not maintaining grades above grade 8.

Sec. 6. (1) “Center program” means a program operated by a district or by an intermediate district for special education pupils from several districts in programs for pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing impairment, pupils with visual impairment, and pupils with physical impairment or other health impairment. Programs for pupils with emotional impairment housed in buildings that do not serve regular education pupils also qualify. Unless otherwise approved by the department, a center program either serves all constituent districts within an intermediate district or serves several districts with less than 50% of the pupils residing in the operating district. In addition, special education center program pupils placed part-time in noncenter programs to comply with the least restrictive environment provisions of section 1412 of the individuals with disabilities education act, 20 USC 1412, may be considered center

program pupils for pupil accounting purposes for the time scheduled in either a center program or a noncenter program.

(2) “District and high school graduation rate” means the annual completion and pupil dropout rate that is calculated by the center pursuant to nationally recognized standards.

(3) “District and high school graduation report” means a report of the number of pupils, excluding adult education participants, in the district for the immediately preceding school year, adjusted for those pupils who have transferred into or out of the district or high school, who leave high school with a diploma or other credential of equal status.

(4) “Membership”, except as otherwise provided in this article, means for a district, a public school academy, or an intermediate district the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district on the pupil membership count day for the current school year, plus the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district for the immediately preceding school year. A district’s, public school academy’s, or intermediate district’s membership is adjusted as provided under section 25e for pupils who enroll after the pupil membership count day in a strict discipline academy operating under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m. All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil is counted in membership in the pupil’s educating district or districts. ~~An-Except as otherwise provided in this subsection, an~~ individual pupil must not be counted for more than a total of 1.0 full-time equated membership.

(b) If a pupil is educated in a district other than the pupil’s district of residence, if the pupil is not being educated as part of a cooperative education program, if the pupil’s district of residence does not give the educating district its approval to count the pupil in membership in the educating district, and if the pupil is not covered by an exception specified in subsection (6) to the requirement that the educating district must have the approval of the pupil’s district of residence to count the pupil in membership, the pupil is not counted in membership in any district.

(c) A special education pupil educated by the intermediate district is counted in membership in the intermediate district.

(d) A pupil placed by a court or state agency in an on-grounds program of a juvenile detention facility, a child caring institution, or a mental health institution, or a pupil funded under section 53a, is counted in membership in the district or intermediate district approved by the department to operate the program.

(e) A pupil enrolled in the Michigan Schools for the Deaf and Blind is counted in membership in the pupil’s intermediate district of residence.

(f) A pupil enrolled in a career and technical education program supported by a millage levied over an area larger than a single district or in an area vocational-technical education program established under section 690 of the revised school code, MCL 380.690, is counted in membership only in the pupil’s district of residence.

(g) A pupil enrolled in a public school academy is counted in membership in the public school academy.

(h) For the purposes of this section and section 6a, for a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, that is in compliance with section 553a of the revised school code, MCL 380.553a, a pupil’s participation in the cyber school’s educational program is considered regular daily attendance, and for a district or public school academy, a pupil’s participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. Beginning July 1, 2021, this subdivision is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021. For the purposes of this subdivision, for a pupil enrolled in a cyber school, all of the following apply with regard to the participation requirement as described in this subdivision:

(i) Except as otherwise provided in this subdivision, the pupil shall participate in each scheduled course on pupil membership count day or supplemental count day, as applicable. If the pupil is absent on pupil membership count day or supplemental count day, as applicable, the pupil must attend and participate in class during the next 10 consecutive school days if the absence was unexcused, or during the next 30 calendar days if the absence was excused.

(ii) For a pupil who is not learning sequentially, 1 or more of the following must be met on pupil membership count day or supplemental count day, as applicable, for each scheduled course to satisfy the participation requirement under this subdivision:

- (A) The pupil attended a live lesson from the teacher.
- (B) The pupil logged into a lesson or lesson activity and the login can be documented.
- (C) The pupil and teacher engaged in a subject-oriented telephone conversation.
- (D) There is documentation of an email dialogue between the pupil and teacher.
- (E) There is documentation of activity or work between the learning coach and pupil.
- (F) An alternate form of attendance as determined and agreed upon by the cyber school and the pupil membership auditor was met.

(iii) For a pupil using sequential learning, the participation requirement under this subdivision is satisfied if either of the following occurs:

(A) Except as otherwise provided in this sub-subparagraph, the pupil and the teacher of record or mentor complete a 2-way interaction for 1 course during the week on which pupil membership count day or supplemental count day, as applicable, occurs, and the 3 consecutive weeks following that week. However, if a school break is scheduled during any of the weeks described in this sub-subparagraph that is 4 or more days in length or instruction has been canceled districtwide during any of the weeks described in this sub-subparagraph for 3 or more school days, the district is not required to ensure that the pupil and the teacher of record or mentor completed a 2-way interaction for that week. As used in this sub-subparagraph:

(I) “2-way interaction” means the communication that occurs between the teacher of record or mentor and pupil, where 1 party initiates communication and a response from the other party follows that communication. Responses as described in this sub-sub-subparagraph must be to the communication initiated by the teacher of record or mentor, and not some other action taken. This interaction may occur through, but is not limited to, means such as email, telephone, instant messaging, or face-to-face conversation. A parent- or legal-guardian-facilitated 2-way interaction is considered a 2-way interaction if the pupil is in any of grades K to 5 and does not yet possess the skills necessary to participate in 2-way interactions unassisted. The interactions described in this sub-sub-subparagraph must relate to a virtual course on the pupil’s schedule and pertain to course content or progress.

(II) “Mentor” means a professional employee of the district who monitors the pupil’s progress, ensures the pupil has access to needed technology, is available for assistance, and ensures access to the teacher of record. A mentor may also be the teacher of record if the mentor meets the definition of a teacher of record under this sub-subparagraph and the district is the provider for the course.

(III) “Teacher of record” means a teacher to whom all of the following apply:

(1) ~~He or she~~ **The teacher** is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies and modifying lessons, reporting outcomes, and evaluating the effects of instruction and support strategies. The teacher of record may coordinate the distribution and assignment of the responsibilities described in this sub-sub-subparagraph with other teachers participating in the instructional process for a course.

(2) ~~He or she~~ **The teacher** is certified for the grade level or is working under a valid substitute permit, authorization, or approval issued by the department.

(3) ~~He or she~~ **The teacher** has a personnel identification code provided by the center.

(IV) “Week” means a period that starts on Wednesday and ends the following Tuesday.

(B) The pupil completes a combination of 1 or more of the following activities for each scheduled course on pupil membership count day or supplemental count day, as applicable:

(I) Documented attendance in a virtual course where synchronous, live instruction occurred with the teacher.

(II) Documented completion of a course assignment.

(III) Documented completion of a course lesson or lesson activity.

(IV) Documented pupil access to an ongoing lesson, which does not include a login.

(V) Documented physical attendance on pupil membership count day or supplemental count day, as applicable, in each scheduled course, if the pupil will attend at least 50% of the instructional time for each scheduled course on-site, face-to-face with the teacher of record. As used in this sub-sub-subparagraph, “teacher of record” means that term as defined in subparagraph (iii)(A).

(iv) For purposes of subparagraph (iii), each scheduled course currently being attempted by the pupil, rather than every course on the pupil’s schedule for the entire term, is considered a part of each scheduled course for the pupil.

(i) For a new district or public school academy beginning its operation after December 31, 1994, membership for the first 2 full or partial fiscal years of operation is determined as follows:

(i) If operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current

school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year.

(j) If a district is the authorizing body for a public school academy, then, in the first school year in which pupils are counted in membership on the pupil membership count day in the public school academy, the determination of the district's membership excludes from the district's pupil count for the immediately preceding supplemental count day any pupils who are counted in the public school academy on that first pupil membership count day who were also counted in the district on the immediately preceding supplemental count day.

(k) For an extended school year program approved by the superintendent, a pupil enrolled, but not scheduled to be in regular daily attendance, on a pupil membership count day, is counted in membership.

(l) To be counted in membership, a pupil must meet the minimum age requirement to be eligible to attend school under section 1147 of the revised school code, MCL 380.1147, and must be less than 20 years of age on September 1 of the school year except as follows:

(i) A special education pupil who is enrolled and receiving instruction in a special education program or service approved by the department, who does not have a high school diploma, and who is less than 26 years of age as of September 1 of the current school year is counted in membership.

(ii) A pupil who is determined by the department to meet all of the following may be counted in membership:

(A) Is enrolled in a public school academy or an alternative education high school diploma program, that is primarily focused on educating pupils with extreme barriers to education, such as being homeless as that term is defined under 42 USC 11302.

(B) Had dropped out of school.

(C) Is less than 22 years of age as of September 1 of the current school year.

(iii) If a child does not meet the minimum age requirement to be eligible to attend school for that school year under section 1147 of the revised school code, MCL 380.1147, but will be 5 years of age not later than December 1 of that school year, the district may count the child in membership for that school year if the parent or legal guardian has notified the district in writing that ~~he or she~~ **the parent or legal guardian** intends to enroll the child in kindergarten for that school year.

(m) An individual who has achieved a high school diploma is not counted in membership. An individual who has achieved a high school equivalency certificate is not counted in membership unless the individual is a student with a disability as that term is defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the department of labor and economic opportunity, or participating in any successor of either of those 2 programs, is not counted in membership.

(n) If a pupil counted in membership in a public school academy is also educated by a district or intermediate district as part of a cooperative education program, the pupil is counted in membership only in the public school academy unless a written agreement signed by all parties designates the party or parties in which the pupil is counted in membership, and the instructional time scheduled for the pupil in the district or intermediate district is included in the full-time equated membership determination under subdivision (q) and section 101. However, for pupils receiving instruction in both a public school academy and in a district or intermediate district but not as a part of a cooperative education program, the following apply:

(i) If the public school academy provides instruction for at least 1/2 of the class hours required under section 101, the public school academy receives as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the public school academy provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils is allocated to the district or intermediate district providing the remainder of the hours of instruction.

(ii) If the public school academy provides instruction for less than 1/2 of the class hours required under section 101, the district or intermediate district providing the remainder of the hours of instruction receives as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils is allocated to the public school academy.

(o) An individual less than 16 years of age as of September 1 of the current school year who is being educated in an alternative education program is not counted in membership if there are also adult education participants being educated in the same program or classroom.

(p) The department shall give a uniform interpretation of full-time and part-time memberships.

(q) The number of class hours used to calculate full-time equated memberships must be consistent with section 101. In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution or for pupils engaged in an internship or work experience under section 1279h of the revised school code, MCL 380.1279h, a pupil is not considered to be less than a full-time equated pupil solely because of the effect of ~~his or her~~ **the pupil's** postsecondary enrollment or engagement in the internship or work experience, including necessary travel time, on the number of class hours provided by the district to the pupil.

(r) Full-time equated memberships for pupils in kindergarten are determined by dividing the number of instructional hours scheduled and provided per year per kindergarten pupil by the same number used for determining full-time equated memberships for pupils in grades 1 to 12. However, to the extent allowable under federal law, for a district or public school academy that provides evidence satisfactory to the department that it used federal title I money in the 2 immediately preceding school fiscal years to fund full-time kindergarten, full-time equated memberships for pupils in kindergarten are determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to 1/2 the number used for determining full-time equated memberships for pupils in grades 1 to 12. The change in the counting of full-time equated memberships for pupils in kindergarten that took effect for 2012-2013 is not a mandate.

(s) For a district or a public school academy that has pupils enrolled in a grade level that was not offered by the district or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year. Membership is calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(t) A pupil enrolled in a cooperative education program may be counted in membership in the pupil's district of residence with the written approval of all parties to the cooperative agreement.

(u) If, as a result of a disciplinary action, a district determines through the district's alternative or disciplinary education program that the best instructional placement for a pupil is in the pupil's home or otherwise apart from the general school population, if that placement is authorized in writing by the district superintendent and district alternative or disciplinary education supervisor, and if the district provides appropriate instruction as described in this subdivision to the pupil at the pupil's home or otherwise apart from the general school population, the district may count the pupil in membership on a pro rata basis, with the proration based on the number of hours of instruction the district actually provides to the pupil divided by the number of hours required under section 101 for full-time equivalency. For the purposes of this subdivision, a district is considered to be providing appropriate instruction if all of the following are met:

(i) The district provides at least 2 nonconsecutive hours of instruction per week to the pupil at the pupil's home or otherwise apart from the general school population under the supervision of a certificated teacher.

(ii) The district provides instructional materials, resources, and supplies that are comparable to those otherwise provided in the district's alternative education program.

(iii) Course content is comparable to that in the district's alternative education program.

(iv) Credit earned is awarded to the pupil and placed on the pupil's transcript.

(v) If a pupil was enrolled in a public school academy on the pupil membership count day, if the public school academy's contract with its authorizing body is revoked or the public school academy otherwise ceases to operate, and if the pupil enrolls in a district within 45 days after the pupil membership count day, the department shall adjust the district's pupil count for the pupil membership count day to include the pupil in the count.

(w) For a public school academy that has been in operation for at least 2 years and that suspended operations for at least 1 semester and is resuming operations, membership is the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the first pupil membership count day or supplemental count day, whichever is first, occurring after operations resume, plus the product of .10 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, the district's membership is considered to be the membership figure calculated under this subdivision. The membership figure calculated under this subdivision is the greater of the following:

(i) The average of the district's membership for the 3-fiscal-year period ending with that fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those 3 membership figures by 3.

(ii) The district's actual membership for that fiscal year as otherwise calculated under this subsection.

(y) Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are enrolled in a classroom program under R 340.1754 of the Michigan Administrative Code are determined by dividing the number of class hours scheduled and provided per year by 450. Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are receiving early childhood special education services under R 340.1755 or R 340.1862 of the Michigan Administrative Code are determined by dividing the number of hours of service scheduled and provided per year per pupil by 180.

(z) A pupil of a district that begins its school year after Labor Day who is enrolled in an intermediate district program that begins before Labor Day is not considered to be less than a full-time pupil solely due to instructional time scheduled but not attended by the pupil before Labor Day.

(aa) For the first year in which a pupil is counted in membership on the pupil membership count day in a middle college program, the membership is the average of the full-time equated membership on the pupil membership count day and on the supplemental count day for the current school year, as determined by the department. If a pupil described in this subdivision was counted in membership by the operating district on the immediately preceding supplemental count day, the pupil is excluded from the district's immediately preceding supplemental count for the purposes of determining the district's membership.

(bb) A district or public school academy that educates a pupil who attends a United States Olympic Education Center may count the pupil in membership regardless of whether or not the pupil is a resident of this state.

(cc) A pupil enrolled in a district other than the pupil's district of residence under section 1148(2) of the revised school code, MCL 380.1148, is counted in the educating district.

(dd) For a pupil enrolled in a dropout recovery program that meets the requirements of section 23a, the pupil is counted as 1/12 of a full-time equated membership for each month that the district operating the program reports that the pupil was enrolled in the program and was in full attendance. However, if the special membership counting provisions under this subdivision and the operation of the other membership counting provisions under this subsection result in a pupil being counted as more than 1.0 FTE in a fiscal year, the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and any portion of an FTE for that pupil that exceeds 1.0 is instead paid under section 25g. The district operating the program shall report to the center the number of pupils who were enrolled in the program and were in full attendance for a month not later than 30 days after the end of the month. A district shall not report a pupil as being in full attendance for a month unless both of the following are met:

(i) A personalized learning plan is in place on or before the first school day of the month for the first month the pupil participates in the program.

(ii) The pupil meets the district's definition under section 23a of satisfactory monthly progress for that month or, if the pupil does not meet that definition of satisfactory monthly progress for that month, the pupil did meet that definition of satisfactory monthly progress in the immediately preceding month and appropriate interventions, **as defined by the district**, are implemented within 10 school days after it is determined that the pupil does not meet that definition of satisfactory monthly progress.

(ee) A pupil participating in a virtual course under section 21f is counted in membership in the district enrolling the pupil.

(ff) If a public school academy that is not in its first or second year of operation closes at the end of a school year and does not reopen for the next school year, the department shall adjust the membership count of the district or other public school academy in which a former pupil of the closed public school academy enrolls and is in regular daily attendance for the next school year to ensure that the district or other public school academy receives the same amount of membership aid for the pupil as if the pupil were counted in the district or other public school academy on the supplemental count day of the preceding school year.

(gg) If a special education pupil is expelled under section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a, and is not in attendance on the pupil membership count day because of the expulsion, and if the pupil remains enrolled in the district and resumes regular daily attendance during that school year, the district's membership is adjusted to count the pupil in membership as if ~~he or she~~ **the pupil** had been in attendance on the pupil membership count day.

(hh) A pupil enrolled in a community district is counted in membership in the community district.

(ii) A part-time pupil enrolled in a nonpublic school in grades K to 12 in accordance with section 166b must not be counted as more than 0.75 of a full-time equated membership.

(jj) A district that borders another state or a public school academy that operates at least grades 9 to 12 and is located within 20 miles of a border with another state may count in membership a pupil who is enrolled in a course at a college or university that is located in the bordering state and within 20 miles of the border with this state if all of the following are met:

(i) The pupil would meet the definition of an eligible student under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, if the course were an eligible course under that act.

(ii) The course in which the pupil is enrolled would meet the definition of an eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, if the course were provided by an eligible postsecondary institution under that act.

(iii) The department determines that the college or university is an institution that, in the other state, fulfills a function comparable to a state university or community college, as those terms are defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.513, or is an independent nonprofit degree-granting college or university.

(iv) The district or public school academy pays for a portion of the pupil's tuition at the college or university in an amount equal to the eligible charges that the district or public school academy would pay to an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, as if the course were an eligible course under that act.

(v) The district or public school academy awards high school credit to a pupil who successfully completes a course as described in this subdivision.

(kk) A pupil enrolled in a middle college program may be counted for more than a total of 1.0 full-time equated membership **for any of the school years in which the pupil is enrolled in the middle college program, but the total full-time equated membership for that pupil for all of the school years in which the pupil is enrolled in high school must not be greater than 5.00 full-time equated membership** if the pupil is enrolled in more than the minimum number of instructional days and hours required under section 101 and the pupil is expected to complete the 5-year program with both a high school diploma and at least 60 transferable college credits or is expected to earn an associate's degree in fewer than 5 years. **A pupil who graduates with both a high school diploma and at least 60 transferable college credits or an associate degree at least 1 semester early is considered to have completed the middle college program in fewer than 5 years.**

(ll) If a district's or public school academy's membership for a particular fiscal year, as otherwise calculated under this subsection, includes pupils counted in membership who are enrolled under section 166b, all of the following apply for the purposes of this subdivision:

(i) If the district's or public school academy's membership for pupils counted under section 166b equals or exceeds 5% of the district's or public school academy's membership for pupils not counted in membership under section 166b in the immediately preceding fiscal year, then the growth in the district's or public school academy's membership for pupils counted under section 166b must not exceed 10%.

(ii) If the district's or public school academy's membership for pupils counted under section 166b is less than 5% of the district's or public school academy's membership for pupils not counted in membership under section 166b in the immediately preceding fiscal year, then the district's or public school academy's membership for pupils counted under section 166b must not exceed the greater of the following:

(A) Five percent of the district's or public school academy's membership for pupils not counted in membership under section 166b.

(B) Ten percent more than the district's or public school academy's membership for pupils counted under section 166b in the immediately preceding fiscal year.

(iii) If 1 or more districts consolidate or are parties to an annexation, then the calculations under subparagraphs (i) and (ii) must be applied to the combined total membership for pupils counted in those districts for the fiscal year immediately preceding the consolidation or annexation.

(5) “Public school academy” means that term as defined in section 5 of the revised school code, MCL 380.5.

(6) “Pupil” means an individual in membership in a public school. A district must have the approval of the pupil’s district of residence to count the pupil in membership, except approval by the pupil’s district of residence is not required for any of the following:

(a) A nonpublic part-time pupil enrolled in grades K to 12 in accordance with section 166b.

(b) A pupil receiving 1/2 or less of ~~his or her~~ **the pupil’s** instruction in a district other than the pupil’s district of residence.

(c) A pupil enrolled in a public school academy.

(d) A pupil enrolled in a district other than the pupil’s district of residence if the pupil is enrolled in accordance with section 105 or 105c.

(e) A pupil who has made an official written complaint or whose parent or legal guardian has made an official written complaint to law enforcement officials and to school officials of the pupil’s district of residence that the pupil has been the victim of a criminal sexual assault or other serious assault, if the official complaint either indicates that the assault occurred at school or that the assault was committed by 1 or more other pupils enrolled in the school the pupil would otherwise attend in the district of residence or by an employee of the district of residence. A person who intentionally makes a false report of a crime to law enforcement officials for the purposes of this subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

(i) “At school” means in a classroom, elsewhere on school premises, on a school bus or other school-related vehicle, or at a school-sponsored activity or event whether or not it is held on school premises.

(ii) “Serious assault” means an act that constitutes a felony violation of chapter XI of the Michigan penal code, 1931 PA 328, MCL 750.81 to 750.90h, or that constitutes an assault and infliction of serious or aggravated injury under section 81a of the Michigan penal code, 1931 PA 328, MCL 750.81a.

(f) A pupil whose district of residence changed after the pupil membership count day and before the supplemental count day and who continues to be enrolled on the supplemental count day as a nonresident in the district in which ~~he or she~~ **the pupil** was enrolled as a resident on the pupil membership count day of the same school year.

(g) A pupil enrolled in an alternative education program operated by a district other than ~~his or her~~ **the pupil’s** district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from ~~his or her~~ **the pupil’s** district of residence for any reason, including, but not limited to, a suspension or expulsion under section 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

(ii) The pupil had previously dropped out of school.

(iii) The pupil is pregnant or is a parent.

(iv) The pupil has been referred to the program by a court.

(h) A pupil enrolled in the Michigan Virtual School, for the pupil’s enrollment in the Michigan Virtual School.

(i) A pupil who is the child of a person who works at the district or who is the child of a person who worked at the district as of the time the pupil first enrolled in the district but who no longer works at the district due to a workforce reduction. As used in this subdivision, “child” includes an adopted child, stepchild, or legal ward.

(j) An expelled pupil who has been denied reinstatement by the expelling district and is reinstated by another school board under section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a.

(k) A pupil enrolled in a district other than the pupil’s district of residence in a middle college program if the pupil’s district of residence and the enrolling district are both constituent districts of the same intermediate district.

(l) A pupil enrolled in a district other than the pupil’s district of residence who attends a United States Olympic Education Center.

(m) A pupil enrolled in a district other than the pupil’s district of residence under section 1148(2) of the revised school code, MCL 380.1148.

(n) A pupil who enrolls in a district other than the pupil’s district of residence as a result of the pupil’s school not making adequate yearly progress under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95.

However, if a district educates pupils who reside in another district and if the primary instructional site for those pupils is established by the educating district after 2009-2010 and is located within the boundaries of that other district, the educating district must have the approval of that other district to count those pupils in membership.

(7) “Pupil membership count day” of a district or intermediate district means:

(a) Except as provided in subdivision (b) **or (c), the either of the following:**

(i) The first Wednesday in October each school year. ~~or, for~~

(ii) For a district or building in which school is not in session on that the Wednesday described in subparagraph (i) due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which school is in session in the district or building.

(b) For Except as otherwise provided in subdivision (c), for a district or intermediate district maintaining school during the entire school year, the following days:

(i) Fourth Wednesday in July.

(ii) First Wednesday in October.

(iii) Second Wednesday in February.

(iv) Fourth Wednesday in April.

(c) If a date listed in subdivision (a) or (b) is on a day of religious or cultural significance, as determined by the district or intermediate district, the immediately following day on which school is in session in the district or building.

(8) “Pupils in grades K to 12 actually enrolled and in regular daily attendance” means, except as otherwise provided in this section, pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this section and subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, is not counted as 1.0 full-time equated membership. Except as otherwise provided in this section, a pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day is not counted as 1.0 full-time equated membership. Except as otherwise provided in this section, in addition, a pupil who was enrolled and in attendance in a district, intermediate district, or public school academy before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil membership count day or supplemental count day is only counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, or public school academy within 45 days after the pupil membership count day or supplemental count day of that particular year. Except as otherwise provided in this section, a pupil not counted as 1.0 full-time equated membership due to an absence from a class is counted as a prorated membership for the classes the pupil attended. For purposes of this subsection: , “class”

(a) “Appropriately placed” means holding a valid Michigan educator credential with the required grade range and discipline or subject area for the assignment, as defined by the superintendent of public instruction.

(b) “Class” means either of the following, as applicable:

(i) (a)-A period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the 2020-2021, 2021-2022, ~~and 2022-2023,~~ **and 2023-2024** school years.

(ii) (b)-For the 2020-2021, 2021-2022, ~~and 2022-2023,~~ **and 2023-2024** school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.

(9) “Rule” means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(10) “The revised school code” means the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

(11) “School district of the first class”, “first class school district”, and “district of the first class” mean, for the purposes of this article only, a district that had at least 40,000 pupils in membership for the immediately preceding fiscal year.

(12) “School fiscal year” means a fiscal year that commences July 1 and continues through June 30.

(13) “State board” means the state board of education.

(14) “Superintendent”, unless the context clearly refers to a district or intermediate district superintendent, means the superintendent of public instruction described in section 3 of article VIII of the state constitution of 1963.

(15) “Supplemental count day” means the day on which the supplemental pupil count is conducted under section 6a.

(16) “Tuition pupil” means a pupil of school age attending school in a district other than the pupil’s district of residence for whom tuition may be charged to the district of residence. Tuition pupil does not include a pupil who is a special education pupil, a pupil described in subsection (6)(d) to (n), or a pupil whose parent or guardian voluntarily enrolls the pupil in a district that is not the pupil’s district of residence. A pupil’s district of residence shall not require a high school tuition pupil, as provided under section 111, to attend another school district after the pupil has been assigned to a school district.

(17) “State school aid fund” means the state school aid fund established in section 11 of article IX of the state constitution of 1963.

(18) “Taxable value” means, except as otherwise provided in this article, the taxable value of property as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(19) “Textbook” means a book, electronic book, or other instructional print or electronic resource that is selected and approved by the governing board of a district and that contains a presentation of principles of a subject, or that is a literary work relevant to the study of a subject required for the use of classroom pupils, or another type of course material that forms the basis of classroom instruction.

(20) “Total state aid” or “total state school aid”, except as otherwise provided in this article, means the total combined amount of all funds due to a district, intermediate district, or other entity under this article.

Sec. 6a. Except as otherwise provided in this act, in addition to the pupil membership count day, there is a supplemental pupil count of the number of full-time equated pupils in grades **K–12 K to 12** actually enrolled and in regular daily attendance in a district or intermediate district on the second Wednesday in February or, for a district **or intermediate district** that is not in session on that day due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which the district is in session. **However, if a date described in the immediately preceding sentence is on a day of religious or cultural significance, as determined by the district or intermediate district, the immediately following day on which school is in session is the day on which the supplemental pupil count described in this section must occur.** For the purposes of this act, the day on which the supplemental pupil count is conducted is the supplemental count day.

Sec. 11. (1) For the fiscal year ending September 30, ~~2022–2023~~, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$14,511,014,700.00~~ **\$17,270,268,900.00** from the state school aid fund, the sum of ~~\$98,119,400.00~~ **\$124,350,000.00** from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, **an amount not to exceed \$200,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$25,000,000.00 from the school meals reserve fund created under section 30e,** and an amount not to exceed ~~\$100.00~~ **\$140,400,000.00 from the MPERS retirement obligation reform reserve fund created under section 147b.** For the fiscal year ending September 30, ~~2023–2024~~, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$16,754,072,900.00~~ **\$18,364,157,800.00** from the state school aid fund, the sum of ~~\$124,200,000.00~~ **\$87,900,000.00** from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, **an amount not to exceed \$245,000,000.00 from the school consolidation and infrastructure fund created under section 11x, an amount not to exceed \$125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$71,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed \$60,000,000.00 from the school meals reserve fund created under section 30e, an amount not to exceed \$18,000,000.00 from the great start readiness program reserve fund created under section 32e,** and an amount not to exceed ~~\$140,400,000.00~~ **\$215,800,000.00** from the MPERS retirement obligation reform reserve fund created under section 147b. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, ~~2022–2023~~ and September 30, ~~2023–2024~~.

(2) The appropriations under this section are allocated as provided in this article. Money appropriated under this section from the general fund must be expended to fund the purposes of this article before the expenditure of money appropriated under this section from the state school aid fund.

(3) Any general fund allocations under this article that are not expended by the end of the fiscal year are transferred to the school aid stabilization fund created under section 11a.

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization fund all of the following:

(a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that remains in the state school aid fund as of the bookclosing for that fiscal year.

(b) Money statutorily dedicated to the school aid stabilization fund.

(c) Money appropriated to the school aid stabilization fund.

(3) Money available in the school aid stabilization fund may not be expended without a specific appropriation from the school aid stabilization fund. Money in the school aid stabilization fund must be expended only for purposes for which state school aid fund money may be expended.

(4) The state treasurer shall direct the investment of the school aid stabilization fund. The state treasurer shall credit to the school aid stabilization fund interest and earnings from fund investments.

(5) Money in the school aid stabilization fund at the close of a fiscal year remains in the school aid stabilization fund and does not lapse to the unreserved school aid fund balance or the general fund.

(6) If the maximum amount appropriated under section 11 from the state school aid fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, there is appropriated from the school aid stabilization fund to the state school aid fund an amount equal to the projected shortfall as determined by the department of treasury, but not to exceed available money in the school aid stabilization fund. If the money in the school aid stabilization fund is insufficient to fully fund an amount equal to the projected shortfall, the state budget director shall notify the legislature as required under section 296(2) and state payments in an amount equal to the remainder of the projected shortfall must be prorated in the manner provided under section 296(3).

(7) For ~~2022-2023~~, **2023-2024**, in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$111,000,000.00 for ~~2022-2023~~ **2023-2024** for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and must be paid in full.

Sec. 11k. For ~~2022-2023~~, **2023-2024**, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2023~~ **2023** an amount not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$7,800,000.00~~ **\$1,000,000.00** for fiscal year cash-flow borrowing costs solely related to the state school aid fund established under section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for 2022-2023 **and 2023-2024** and from the general fund money appropriated in section 11, there is allocated \$3,075,000.00 for 2022-2023 **and 2023-2024** for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~7-8~~ **7-8** fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~2,900~~ **2,800** pupils in membership for a fiscal year after 2016-2017.

(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~7-8~~ **7-8** fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~2,900~~ **2,800** pupils in membership for a fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00 for 2022-2023 ~~for the purpose of employing school nurses, classroom aides, and school social workers~~ **and 2023-2024 for the purpose of employing school nurses, classroom aides, school social workers, and community health workers; for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies**. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department

shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must provide at least the following information:

(a) How many personnel were hired using the funds allocated under this subsection.

(b) A description of the services provided to pupils by those personnel.

(c) How many pupils received each type of service identified in subdivision (b).

(d) Any other information the department considers necessary to ensure that the children described in subsection (1) received appropriate levels and types of services.

(3) For 2022-2023, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to an intermediate district that has a constituent district described in subsection (2) to provide state early intervention services for children described in subsection (1) who are between age 3 and age 5. The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan.

(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$1,000,000.00 for 2022-2023 to the intermediate district described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 32d. The department shall administer this funding consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(5) For 2022-2023 **and 2023-2024**, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).

(6) For 2022-2023, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 **and for 2023-2024, there is allocated an amount not to exceed \$5,000,000.00 to the** ~~an intermediate district described in subsection (3) that has a constituent district described in subsection (2)~~ for interventions and supports for students in K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

(7) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2022-2023 **and 2023-2024** only for an early childhood collaborative that serves students located in a county with a population of not less than ~~400,000~~ **390,000** or more than ~~500,000~~ **450,000**. The funds allocated under this subsection must be used to continue the expansion of early childhood services in response to an executive proclamation of emergency described in this section concerning drinking water.

(8) In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for 2022-2023 for state restricted contingency funds. These contingency funds are not available for expenditure until they have been transferred to a section within this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(9) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 11v. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only \$94,400,000.00 to a community district that was created as described under section 383 of the revised school code, MCL 380.383.

(2) A community district must not use funds under this section to supplant funding for existing literacy programs and interventions. Funds under this section must be used only as described in section I of the settlement agreement entered in the case of *Gary B. v Whitmer*, 957 F3d 616 (CA 6, 2020).

(3) To receive funding under this section, the community district under subsection (1) must convene a Detroit literacy equity task force as required under the settlement agreement entered in the case of *Gary B. v Whitmer*, 957 F3d 616 (CA 6, 2020). Before the community district may expend funds under this section, all of the following must be met:

(a) The members of the task force must be appointed for terms commencing on the same date.

(b) The task force must have the following members:

(i) Two Detroit Public Schools Community District representatives selected at the discretion of the superintendent of the Detroit Public Schools Community District and approved by the board of the Detroit Public Schools Community District.

(ii) Two teacher representatives selected by the labor organizations that represent the teacher representatives.

(iii) One paraprofessional representative selected by the labor organization that represents the paraprofessional representative.

(iv) Three student representatives.

(v) Three parent or caregiver representatives.

(vi) Two local community members.

(vii) Two literacy expert representatives selected by the group that the literacy experts represent through a process to be determined by the teacher, paraprofessional, and Detroit Public Schools Community District members of the task force.

(c) The task force shall hold at least 6 public meetings in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, by April 30, 2024 to collect community input. The task force shall provide an option for the public to attend each meeting virtually and provide a way for community input to be submitted online.

(d) The task force shall make recommendations to Detroit Public Schools Community District as described under the settlement agreement entered in the case of *Gary B. v Whitmer*, 957 F3d 616 (CA 6, 2020), by June 30, 2024. These recommendations must include the community input described under subdivision (c).

(4) A community district that receives funding under this section shall report how the funds were spent in compliance with the settlement agreement entered in the case of *Gary B. v Whitmer*, 957 F3d 616 (CA 6, 2020), to the department by September 30, 2024, and every September 30 thereafter until all funds are expended. The department shall ensure the report is available on a publicly accessible website.

(5) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2027.

(6) Notwithstanding section 17b, the department shall make payments under this section by not later than September 30, 2023.

Sec. 11w. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$9,828,000.00 for payments to 1 district that was forced to close a building operated by the district for an extended period of time, but not less than 20 consecutive school days, as a result of the district's response to an act of pupil violence. Funds allocated under this section may be used for personnel and additional student supports, including psychologists, family liaisons, mental health staff, school security, additional learning time, legal fees, and the physical restoration of a school building.

(2) For 2021-2022 only, for the district described in subsection (1), it is the intent of the legislature that results from summative assessments administered by the district during the 2021-2022 school year are not used for retention decisions, educator evaluations, and other high-stakes decisions. The department is encouraged to work with the district to determine alternative methods to comply with applicable state laws.

(3) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to provide support for the district described in subsection (1). The estimated completion date of the work project is September 30, 2023.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2024. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2024.

Sec. 11x. (1) The school consolidation and infrastructure fund is created as a separate account within the state school aid fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in this state.

(2) The state treasurer may receive money or other assets from any source for deposit into the school consolidation and infrastructure fund. The state treasurer shall direct the investment of the school consolidation and infrastructure fund. The state treasurer shall credit to the school consolidation and infrastructure fund interest and earnings from school consolidation and infrastructure fund investments.

(3) Money in the school consolidation and infrastructure fund at the close of the fiscal year remains in the school consolidation and infrastructure fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school consolidation and infrastructure fund for auditing purposes.

(5) Money available in the school consolidation and infrastructure fund must not be expended without a specific appropriation. No more than 50% of funds in the school consolidation and infrastructure fund may be appropriated for non-consolidation-related infrastructure projects.

(6) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$5,000,000.00 for grants to districts and intermediate districts to support the cost of a feasibility study or analysis of consolidation **or the consolidation of services among 1 or more buildings within a district, among 1 or more districts, or among 1 or more intermediate districts.** Districts and intermediate districts may apply for a grant under this ~~section~~**subsection** to the department on a first-come, first-serve basis. The maximum amount of a grant to be distributed under this ~~section~~**subsection** may not exceed \$250,000.00. Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department.

(7) ~~For the fiscal year ending September 30, 2022 only, \$475,000,000.00 from the state school aid fund must be deposited into the school consolidation and infrastructure fund.~~

(7) To be eligible for a grant under subsection (6), a district or intermediate district must demonstrate to the department, in the manner prescribed by the department, that it will conduct a feasibility study or analysis and that all of the following will be met:

(a) Within 30 days after completion of the study or analysis, the district or intermediate district will make the results of the study or analysis available to all districts and intermediate districts included in the study or analysis. Within 60 days after the completion of the study or analysis, the district or intermediate district will make the results available on a publicly available website.

(b) The study or analysis may include, but is not limited to, consolidation opportunities in the following areas:

(i) Financial services, which may include, but is not limited to, the following:

(A) Budgeting and staffing.

(B) Payroll.

(C) Employee benefits.

(D) State reporting.

(E) Software consolidation to achieve common software throughout the intermediate district.

(ii) Human resources, which may include, but is not limited to, the following:

(A) Onboarding.

(B) Title IX administration.

(C) Hiring.

(D) Software consolidation to achieve common software throughout the intermediate district.

(iii) Information technology, which may include, but is not limited to, the following:

(A) Software consolidation to achieve common software throughout the intermediate district.

(B) Fiber projects.

(C) Cybersecurity.

(D) One-to-one device management.

(iv) Grant management and reporting, which may include, but is not limited to, the following:

(A) Management of all state grant sites and databases.

(B) Grant reporting.

(v) Cash management, which may include, but is not limited to, the opportunities for intermediate districts and districts to contract on cash flow management to maximize interest earnings.

(vi) Debt issuance and management, including at least all of the following:

(A) Refunding opportunities.

(B) New bond issue analysis.

(vii) School facility consolidation.

(viii) Consolidation of transportation-related activities.

(ix) The physical consolidation of districts.

(8) An intermediate district that receives a grant under this section shall meet with its constituent districts located within the intermediate district to discuss the results of the study or analysis and to implement changes where feasible. The application for an intermediate district must include a brief description of how the intermediate district will conduct these meetings.

(9) ~~(8)-To be eligible for the receipt of funds~~ **funding for infrastructure-related projects** appropriated from the school consolidation and infrastructure fund created under this section, a district must allow for the facility condition assessments described in section 11y to be conducted in the district. **It is the intent of the legislature that money in the school consolidation and infrastructure fund will not be appropriated for infrastructure projects until the completion of the facility condition assessments described in section 11y.**

Sec. 11z. (1) The school aid countercyclical budget and foundation stabilization fund is created as a separate account in the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid countercyclical budget and foundation stabilization fund.

(3) The state treasurer shall direct the investment of the school aid countercyclical budget and foundation stabilization fund. The state treasurer shall credit to the school aid countercyclical budget and foundation stabilization fund interest and earnings from fund investments.

(4) Money in the school aid countercyclical budget and foundation stabilization fund at the close of a fiscal year remains in the school aid countercyclical budget and foundation stabilization fund and does not lapse to the state school aid fund or the general fund.

(5) Except as provided in subsections (6) and (7), money available in the school aid countercyclical budget and foundation stabilization fund may not be expended without a specific appropriation from the school aid countercyclical budget and foundation stabilization fund.

(6) If, for a given fiscal year, the department of treasury determines that proration of payments under this article will be required under section 296, the amount necessary to avoid proration, or an amount necessary to reduce proration, may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made. Funds deposited into the state school aid fund under this subsection must be used only to eliminate or reduce proration under this article, as required under section 296. If, after making final calculations under section 296, the amount deposited into the state school aid fund under this section exceeds the amount actually necessary to eliminate or reduce proration, the excess amount must be deposited back into the school aid countercyclical budget and foundation stabilization fund.

(7) If year-over-year revenues for the state school aid fund are projected to decline, as determined during the final revenue estimating conference of a given fiscal year, the gross year-over-year decline in state school aid fund revenue may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made.

(8) Funds deposited into the state school aid fund under this section must be appropriated only for purposes under article I.

(9) For the fiscal year ending September 30, 2023 only, \$450,000,000.00 from the state school aid fund is deposited into the school aid countercyclical budget and foundation stabilization fund.

(10) As used in this section:

(a) "Revenue estimating conference" means a revenue estimating conference occurring in May as described in section 367b of the management and budget act, MCL 18.1367b.

(b) "Year-over-year" means a comparison of the fiscal year in which calculations are being made to the fiscal year immediately preceding the fiscal year in which calculations are being made.

Sec. 11aa. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$20,000,000.00 for 2022-2023 only for the intermediate district or consortium of intermediate districts receiving funding under section 11y for the purposes of including ASHRAE Level II Energy Efficiency Audits or similar audits to the statewide school facilities study under section 11y. These funds may also be utilized for solar feasibility studies or data collection for solar feasibility.

(2) The recipient of funding under this section must use the funds in coordination with engineers from architectural, engineering, or construction companies based in this state that are familiar with school construction and energy efficiency audits to perform a systematic assessment for school buildings in this state in which pupils in grades K to 12 are educated and that are operated by a district. Where possible, the inclusion of solar feasibility studies or data collection for solar feasibility may be performed as well.

(3) The energy efficiency audit may include, but is not limited to, the following building improvements:

(a) The following energy efficiency measures:

(i) HVAC upgrades, including geothermal heat pumps.

(ii) Lighting upgrades, including LED lights and occupancy sensors.

(iii) Building envelope and weatherization.

(iv) Appliances and equipment.

(v) Building management systems.

(b) Solar power systems on or nearby school buildings, school parking lots, and property.

(4) All energy efficiency audits and solar feasibility studies or data collection for solar feasibility performed using these funds must be shared with the appropriate school district in the form of individual building reports.

(5) As part of the assessment described in this section, the engineers must report to the recipient of funding under this section the outcomes of the energy efficiency audits and, where applicable, solar feasibility studies or data collection for solar feasibility.

(6) The recipient of funding under this section must provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department summarizing the information it receives under this section.

(7) Notwithstanding section 17b, the department must make payments under this section by August 1, 2023.

Sec. 12a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$50,000,000.00 for competitive grants to participating schools to lower energy costs and improve health outcomes at school facilities through the healthy schools grant program created under this section. The department shall create a healthy schools grant program to disburse grant funding for the purposes under this section.

(2) Except as otherwise provided in this subsection, to receive a grant under this section, a participating school must apply for the grant in a form and manner prescribed by the department, in collaboration with the department of environment, Great Lakes, and energy and the department of health and human services. An application described in this subsection must be evaluated using the following scoring criteria:

(a) Utilizing Justice40 parameters.

(b) Prioritizing applicants from the National Ambient Air Quality Standards nonattainment zones; high asthma burden areas; environmental justice areas; small area income and poverty estimates (SAIPE) program areas; rural areas, defined by locale codes “43-Rural: Remote” and “42-Rural: Distant” by the National Center for Education Statistics; and communities with high free and reduced lunch participation rates.

(c) Prioritizing applicants utilizing union labor and Michigan companies for evaluation and installation of improvements.

(d) Prioritizing initial distribution of funds to participating schools that participated in the racial disparities task force initiative evaluating and analyzing opportunities to improve air quality in K to 12 facilities in environmental justice communities.

(3) Grants awarded to participating schools under this section must be used only for 1 or more of the following purposes:

(a) Indoor air quality improvements, including HVAC and air-conditioning needs.

(b) Energy enhancements, including energy efficiencies, on-site renewable energy production, and facility electrification.

(c) Toxin remediation, including the removal of lead and, subject to section 168a, asbestos.

(d) Drinking water system upgrades, including the installation of hydration stations. A participating school’s matching funds requirement to access healthy hydration funding is an eligible use under this subsection.

(4) Each participating school receiving a grant under this section shall match at least 50% of the grant funding received with other sources toward the completion of projects commenced for purposes of this section.

(5) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to lower energy costs and improve health outcomes at school facilities. The estimated completion date of the work project is September 30, 2027.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) As used in this section, “participating school” means a district or intermediate district.

Sec. 12b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$45,000,000.00 to districts and intermediate districts for the provision of facility upgrades in school-based health centers. Funding received by a district or intermediate district under this section may be used only for the following purposes:

(a) Modernizing antiquated medical equipment.

(b) Improving security and patient safety measures.

(c) Investing in new patient-centered technologies.

(d) Renovating physical spaces to improve patient privacy and the care setting.

(e) Implementing a networked patient data IT system.

(2) To be eligible to receive funding under this section, a district or intermediate district must have a school-based health center that serves students in the current fiscal year and must submit a joint

application with the school-based health center toward which it will apply funding under this section, in a form and manner determined by the department in collaboration with the department of health and human services.

(3) The award to each district or intermediate district of funding under this section must not exceed \$250,000.00 per school-based health center.

(4) If funding under this section is not sufficient to fully fund all eligible applicants, the department shall prioritize funding based on the age of the school-based health center for which the district or intermediate district sought funding for under this section.

(5) Notwithstanding section 17b, the department shall make payments under this section in full when the funding is awarded.

Sec. 12c. (1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed \$245,000,000.00 for grants to districts and intermediate districts to support the initial costs related to the consolidation or the consolidation of services identified in the feasibility study or analysis conducted under section 11x.

(2) To be eligible for funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. An intermediate district may apply for funding on behalf of a district if the intermediate district is providing the consolidated services. An application described in this subsection must include all of the following:

(a) An assurance that the district or intermediate district was included in a feasibility study or analysis conducted under section 11x.

(b) An assurance that the consolidation or the consolidated service or services being funded were included as a recommendation in a feasibility study or analysis conducted under section 11x.

(c) A brief description of how the district or intermediate district plans to implement changes, as outlined in a feasibility study or analysis conducted under section 11x, where possible.

(d) An assurance that the district or intermediate district will submit to the department an annual report documenting the estimated savings produced as a result of the consolidation or the consolidation of services.

(e) A budget of the estimated first-year costs associated with the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(3) If funding under this section is not sufficient to fully fund all applicants, the department shall do either of the following:

(a) Ensure that awards under this section are determined based upon a competitive grant process.

(b) Distribute funds under this section on a prorated or other equitable basis as determined by the department.

(4) Each intermediate district that receives funding under this section and also receives funding under section 11x(6) for 2022-2023 shall, in consultation with its constituent districts that receive funds under this section, submit a report to the department not later than June 30, 2025. The report must include all of the following information regarding the consolidation or consolidation of services supported by funding under this section, in the form and manner prescribed by the department:

(a) The amount previously spent on each consolidation or consolidation of service in the prior fiscal year.

(b) The number of students impacted by the consolidation or the consolidation of service.

(c) The vendors, third-party entities, or other educational entities used for consolidation or to consolidate the service or services.

(d) The impact on student learning attributable to money reallocated as a result of the consolidation or consolidated service or services.

(e) A total of cost savings produced as a result of the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(5) As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under

section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211.

(2) If the result of an audit conducted by or for the department affects the current fiscal year membership, the department shall adjust affected payments in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, must be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional 4 years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. However, a district that presented satisfactory evidence of hardship and was undergoing an extended adjustment during 2018-2019 may continue to use the period of extended adjustment as originally granted by the department.

(3) If, based on an audit by the department or the department's designee or because of new or updated information received by the department, the department determines that the amount paid to a district or intermediate district under this article for the current fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate deduction or payment in the district's or intermediate district's allocation in the next apportionment after the adjustment is finalized. The department shall calculate the deduction or payment according to the law in effect in the fiscal year in which the incorrect amount was paid. If the district does not receive an allocation for the fiscal year or if the allocation is not sufficient to pay the amount of any deduction, the amount of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

(4) If the department makes an adjustment under this section based in whole or in part on a membership audit finding that a district or intermediate district employed an educator in violation of certification requirements under the revised school code and rules promulgated by the department, the department shall prorate the adjustment according to the period of noncompliance with the certification requirements.

(5) The department may conduct audits, or may direct audits by designee of the department, for the current fiscal year and the immediately preceding fiscal year of all records related to a program for which a district or intermediate district has received funds under this article.

(6) Expenditures made by the department under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.

(7) In addition to funds appropriated in section 11 for all programs and services, there is appropriated for ~~2022-2023~~ **2023-2024** for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

Sec. 19. (1) A district or intermediate district shall comply with all applicable reporting requirements specified in state and federal law. Data provided to the center, in a form and manner prescribed by the center, ~~shall~~ **must** be aggregated and disaggregated as required by state and federal law. In addition, a district or intermediate district shall cooperate with all measures taken by the center to establish and maintain a statewide P-20 longitudinal data system.

(2) Each district shall furnish to the center not later than 5 weeks after the pupil membership count day and by the last business day in June of the school fiscal year ending in the fiscal year, in a manner prescribed by the center, the information necessary for the preparation of the district and high school graduation report, information regarding completion of early middle college credentials obtained and postsecondary credits obtained in any college acceleration program, and information necessary for the preparation of the state and federal accountability reports. This information ~~shall~~ **must** meet requirements established in the pupil auditing manual approved and published by the department. The center shall calculate an annual graduation and pupil dropout rate for each high school, each district, and this state, in compliance with nationally recognized standards for these calculations. The center shall report all graduation and dropout rates to the senate and house education committees and appropriations committees, the state budget director, and the department not later than 30 days after the publication of the list described in subsection (5). Before reporting these graduation and dropout rates, the department shall allow a school or district to appeal the calculations. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not report these graduation and dropout rates until after all appeals have been considered and decided.

(3) By the first business day in December and by the last business day in June of each year, **and within 30 days of any changes in employment or assignment status**, a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel **and personnel vacancies** as necessary for reporting required by state and federal law. For the purposes of this subsection, the center shall only require districts and intermediate districts to report information that is not already available from the office of retirement services in the department of technology, management, and budget, **including, but not limited to, information concerning vacancy start and end dates and reasons for vacancies and vacancy terminations.**

(4) If a district or intermediate district fails to meet the requirements of this section, the department shall withhold 5% of the total funds for which the district or intermediate district qualifies under this article until the district or intermediate district complies with this section. If the district or intermediate district does not comply with this section by the end of the fiscal year, the department shall place the amount withheld in an escrow account until the district or intermediate district complies with this section.

(5) Before publishing a list of school or district accountability designations as required by the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95, and utilizing data that were certified as accurate and complete after districts and intermediate districts adhered to deadlines, data quality reviews, and correction processes leading to local certification of final student data in subsection (2), the department shall allow a school or district to appeal any calculation errors used in the preparation of accountability metrics. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

(6) The department shall implement statewide standard reporting requirements for education data approved by the department in conjunction with the center. The department shall work with the center, intermediate districts, districts, and other interested stakeholders to implement this policy change. A district or intermediate district shall implement the statewide standard reporting requirements not later than 2017-2018 or when a district or intermediate district updates its education data reporting system, whichever is later.

(7) A district or intermediate district shall collect and submit to the center tribal affiliation data for all students and staff and the identification of student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404. The data must be reported in a form and manner prescribed by the center in consultation with the federally recognized Indian tribes in this state and the department in adherence to the department's tribal consultation policy. A district or intermediate district shall begin completion of the reporting requirement under this subsection by not later than the 2024-2025 fiscal year.

Sec. 20. (1) All of the following apply:

(a) For 2021-2022, the target foundation allowance is \$8,700.00.

(b) For 2021-2022, the minimum foundation allowance is \$8,700.00.

(a) (c) For 2022-2023, the target foundation allowance is \$9,150.00.

(b) For 2023-2024, the target foundation allowance is \$9,608.00.

(2) The department shall calculate the amount of each district's foundation allowance as provided in this section, using a target foundation allowance in the amount specified in subsection (1).

(3) Except as otherwise provided in this section, the department shall calculate the amount of a district's foundation allowance as follows, using in all calculations the total amount of the district's foundation allowance as calculated before any proration:

(a) For 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is \$8,700.00. Except as otherwise provided in this subdivision, except for 2021-2022, for ~~For~~ a district that had a foundation allowance for the immediately preceding fiscal year that was equal to the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to the target foundation allowance described in subsection (1) for the current fiscal year.

(b) ~~For a district that in the immediately preceding fiscal year had a foundation allowance in an amount equal to the amount of the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance for 2021-2022 in an amount equal to the target foundation allowance for 2021-2022. This subdivision does not apply after the 2021-2022 fiscal year.~~

(c) ~~For a district that had a foundation allowance for the immediately preceding fiscal year that was greater than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding fiscal year plus the lesser of the increase in the target foundation allowance for the current fiscal year, as~~

compared to the immediately preceding fiscal year, or the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b. This subdivision does not apply after the 2021-2022 fiscal year.

(b) (d)-For a district that had a foundation allowance for the immediately preceding fiscal year that was greater than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for the immediately preceding fiscal year plus any per pupil amount calculated under section 20m(2) in the immediately preceding fiscal year plus the increase in the target foundation allowance for the current fiscal year, as compared to the immediately preceding fiscal year) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). This subdivision does not apply for the 2021-2022 fiscal year.

(c) (e)-For a district that has a foundation allowance that is less than the target foundation allowance in the current fiscal year but had a foundation allowance in fiscal year 2020-2021 that was greater than the target foundation allowance in effect for that fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for fiscal year 2020-2021 plus the increase in the target foundation allowance for the current fiscal year, as compared to fiscal year 2020-2021) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). This subdivision does not apply for the 2021-2022 fiscal year.

(d) (f)-For a district that has a foundation allowance that is not a whole dollar amount, the department shall round the district's foundation allowance up to the nearest whole dollar.

(4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the target foundation allowance for the current fiscal year, whichever is less, minus the local portion of the district's foundation allowance. Except as otherwise provided in this subsection, for a district described in subsection ~~(3)(d) and (e), beginning in 2021-2022, (3)(b) and (c)~~, the state portion of the district's foundation allowance is an amount equal to the target foundation allowance minus the district's foundation allowance supplemental payment per pupil calculated under section 20m and minus the local portion of the district's foundation allowance. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes continue to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil of property in the receiving district used for the purposes of this subsection does not include the taxable value of property within the geographic area of the dissolved district. For a community district, if school operating taxes continue to be levied by a qualifying school district under section 12b of the revised school code, MCL 380.12b, with the same geographic area as the community district, the taxable value per membership pupil of property in the community district to be used for the purposes of this subsection does not include the taxable value of property within the geographic area of the community district.

(5) The allocation calculated under this section for a pupil is based on the foundation allowance of the pupil's district of residence. For a pupil enrolled under section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section is based on the lesser of the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section is based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to ~~for 2021-2022, the minimum foundation allowance specified in subsection (1)(b) and, for 2022-2023, the target foundation allowance specified in subsection (1)(c)-(1), or, for a public school academy that was issued a contract under~~

section 552 of the revised school code, MCL 380.552, to operate as a school of excellence that is a cyber school, \$9,150.00. Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection must be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation must not exceed the amount per membership pupil otherwise calculated under this subsection.

(7) For pupils in membership, other than special education pupils, in a community district, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the community district equal to the foundation allowance of the qualifying school district, as described in section 12b of the revised school code, MCL 380.12b, that is located within the same geographic area as the community district.

(8) Subject to subsection (4), for a district that is formed or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation is the lesser of the sum of the average of the foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district who reside in the geographic area of each of the original or affected districts plus \$100.00 or the highest foundation allowance among the original or affected districts. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(9) The department shall round each fraction used in making calculations under this section to the fourth decimal place and shall round the dollar amount of an increase in the target foundation allowance to the nearest whole dollar.

(10) For 2022-2023, state payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated as follows:

(a) Twenty-five percent is calculated under section 51a.

(b) Seventy-five percent is calculated under section 51e.

~~(11) (10) Except as otherwise provided in this subsection, For 2023-2024, state payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51a and section 51e. All of the following apply with regard to state payments related to payment of the foundation allowance for a special education pupil:~~

~~(a) For 2022-2023, state payments described in this subsection are not calculated under this section but are instead calculated as follows:~~

~~(i) Twenty-five percent is calculated under section 51a.~~

~~(ii) Seventy-five percent is calculated under section 51e.~~

~~(b) It is the intent of the legislature that, in future fiscal years, 100% of state payments described in this subsection will be calculated under this section.~~

(12) (11) To assist the legislature in determining the target foundation allowance for the subsequent fiscal year, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must calculate a pupil membership factor, a revenue adjustment factor, and an index as follows:

(a) The pupil membership factor is computed by dividing the estimated membership in the school year ending in the current fiscal year, excluding intermediate district membership, by the estimated membership for the school year ending in the subsequent fiscal year, excluding intermediate district membership. If a consensus membership factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(b) The revenue adjustment factor is computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent fiscal year plus the estimated total state school aid fund revenue for the current fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated total school aid fund revenue for the current fiscal year plus the estimated total state school aid fund revenue for the immediately preceding fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(c) The index is calculated by multiplying the pupil membership factor by the revenue adjustment factor. If a consensus index is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for state school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(13) (42)—Payments to districts and public school academies are not made under this section. Rather, the calculations under this section are used to determine the amount of state payments under section 22b.

(14) (43)—If an amendment to section 2 of article VIII of the state constitution of 1963 allowing state aid to some or all nonpublic schools is approved by the voters of this state, each foundation allowance or per-pupil payment calculation under this section may be reduced.

(15) (44)—As used in this section:

(a) “Certified mills” means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(b) “Current fiscal year” means the fiscal year for which a particular calculation is made.

(c) “Dissolved district” means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(d) “Immediately preceding fiscal year” means the fiscal year immediately preceding the current fiscal year.

(e) “Local portion of the district’s foundation allowance” means an amount that is equal to the difference between (the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district’s certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills) and (the quotient of the product of the captured assessed valuation under tax increment financing acts times the district’s certified mills divided by the district’s membership excluding special education pupils).

(f) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(g) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(h) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(i) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(j) “School operating purposes” means the purposes included in the operation costs of the district as prescribed in sections 7 and 18 and purposes authorized under section 1211 of the revised school code, MCL 380.1211.

(k) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes.

(l) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(m) “Taxable value per membership pupil” means taxable value, as certified by the county treasurer and reported to the department, for the calendar year ending in the current state fiscal year divided by the district’s membership excluding special education pupils for the school year ending in the current state fiscal year.

Sec. 20d. In making the final determination required under former section 20a of a district’s combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for 2022-2023, 2023-2024, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct services to the area vocational education center. Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district’s combined state and local revenue per membership pupil in the 1994-95 fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under section 1211 of the revised school code, MCL 380.1211, as a result of the adjustment under this subdivision.

(b) If a district had an adjustment made to its 1993-94 total state school aid that excluded payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct

services for intermediate district center programs operated by the district under former section 51 and sections 51a to 56, if nonresident pupils attending the center programs were included in the district's membership for purposes of calculating the combined state and local revenue per membership pupil for 1993-94, and if there is a signed agreement by all constituent districts of the intermediate district agreeing to an adjustment under this subdivision, the department shall calculate the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils attending the intermediate district center program operated by the district that had the adjustment as if their combined state and local revenue per membership pupil for 1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

Sec. 20f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$18,000,000.00~~ **\$27,000,000.00** for ~~2022-2023~~ **2023-2024 only** for payments to eligible districts under this section. **It is the intent of the legislature that an amount not to exceed \$18,000,000.00 is used in 2023-2024, an amount not to exceed \$9,000,000.00 is used in 2024-2025, and \$0.00 is used in 2025-2026.**

(2) The funding under this subsection is from the allocation under subsection (1). A district is eligible for funding under this subsection if the district received a payment under this section as it was in effect for 2013-2014. A district was eligible for funding in 2013-2014 if the sum of the following was less than \$5.00:

(a) The increase in the district's foundation allowance or per-pupil payment as calculated under section 20 from 2012-2013 to 2013-2014.

(b) The district's equity payment per membership pupil under former section 22c for 2013-2014.

(c) The quotient of the district's allocation under section 147a for 2012-2013 divided by the district's membership pupils for 2012-2013 minus the quotient of the district's allocation under section 147a for 2013-2014 divided by the district's membership pupils for 2013-2014.

(3) The amount allocated to each eligible district under subsection (2) is an amount per membership pupil equal to the amount per membership pupil the district received under this section in 2013-2014. **It is the intent of the legislature that a district's allocation under subsection (2) for 2024-2025 is half of the allocation as otherwise calculated.**

(4) The funding under this subsection is from the allocation under subsection (1). A district is eligible for funding under this subsection if the sum of the following is less than \$25.00:

(a) The increase in the district's foundation allowance or per-pupil payment as calculated under section 20 from 2014-2015 to 2015-2016.

(b) The decrease in the district's best practices per-pupil funding under former section 22f from 2014-2015 to 2015-2016.

(c) The decrease in the district's pupil performance per-pupil funding under former section 22j from 2014-2015 to 2015-2016.

(d) The quotient of the district's allocation under section 31a for 2015-2016 divided by the district's membership pupils for 2015-2016 minus the quotient of the district's allocation under section 31a for 2014-2015 divided by the district's membership pupils for 2014-2015.

(5) **It is the intent of the legislature that a district's allocation under subsection (4) for 2024-2025 is half of the allocation as otherwise calculated.** The amount allocated to each eligible district under subsection (4) is an amount per membership pupil equal to \$25.00 minus the sum of the following:

(a) The increase in the district's foundation allowance or per-pupil payment as calculated under section 20 from 2014-2015 to 2015-2016.

(b) The decrease in the district's best practices per-pupil funding under former section 22f from 2014-2015 to 2015-2016.

(c) The decrease in the district's pupil performance per-pupil funding under former section 22j from 2014-2015 to 2015-2016.

(d) The quotient of the district's allocation under section 31a for 2015-2016 divided by the district's membership pupils for 2015-2016 minus the quotient of the district's allocation under section 31a for 2014-2015 divided by the district's membership pupils for 2014-2015.

(6) If the allocation under subsection (1) is insufficient to fully fund payments under subsections (3) and (5) as otherwise calculated under this section, the department shall prorate payments under this section on an equal per-pupil basis.

(7) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue payments to districts eligible for funding under this section. The estimated completion date of the work project described in this subsection is September 30, 2025.

Sec. 21f. (1) A primary district shall enroll an eligible pupil in virtual courses in accordance with the provisions of this section. A primary district shall not offer a virtual course to an eligible pupil unless the

virtual course is published in the primary district's catalog of board-approved courses or in the statewide catalog of virtual courses maintained by the Michigan Virtual University pursuant to section 98. The primary district shall also provide on its publicly accessible website a link to the statewide catalog of virtual courses maintained by the Michigan Virtual University. Unless the pupil is at least age 18 or is an emancipated minor, a pupil must not be enrolled in a virtual course **that meets virtually for more than 15 days in a school year** without the consent of the pupil's parent or legal guardian.

(2) Subject to subsection (3), a primary district shall enroll an eligible pupil in up to 2 virtual courses as requested by the pupil during an academic term, semester, or trimester.

(3) A pupil may be enrolled in more than 2 virtual courses in a specific academic term, semester, or trimester if both of the following conditions are met:

(a) The primary district has determined that it is in the best interest of the pupil.

(b) The pupil agrees with the recommendation of the primary district.

(4) If the number of applicants eligible for acceptance in a virtual course does not exceed the capacity of the provider to provide the virtual course, the provider shall accept for enrollment all of the applicants eligible for acceptance. If the number of applicants exceeds the provider's capacity to provide the virtual course, the provider shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders. A primary district that is also a provider shall determine whether or not it has the capacity to accept applications for enrollment from nonresident applicants in virtual courses and may use that limit as the reason for refusal to enroll a nonresident applicant.

(5) A primary district may not establish additional requirements beyond those specified in this subsection that would prohibit a pupil from taking a virtual course. A pupil's primary district may deny the pupil enrollment in a virtual course if any of the following apply, as determined by the district:

(a) The pupil is enrolled in any of grades K to 5.

(b) The pupil has previously gained the credits that would be provided from the completion of the virtual course.

(c) The virtual course is not capable of generating academic credit.

(d) The virtual course is inconsistent with the remaining graduation requirements or career interests of the pupil.

(e) The pupil has not completed the prerequisite coursework for the requested virtual course or has not demonstrated proficiency in the prerequisite course content.

(f) The pupil has failed a previous virtual course in the same subject during the 2 most recent academic years.

(g) The virtual course is of insufficient quality or rigor. A primary district that denies a pupil enrollment request for this reason shall enroll the pupil in a virtual course in the same or a similar subject that the primary district determines is of acceptable rigor and quality.

(h) The cost of the virtual course exceeds the amount identified in subsection (10), unless the pupil or the pupil's parent or legal guardian agrees to pay the cost that exceeds this amount.

(i) The request for a virtual course enrollment did not occur within the same timelines established by the primary district for enrollment and schedule changes for regular courses.

(j) The request for a virtual course enrollment was not made in the academic term, semester, trimester, or summer preceding the enrollment. This subdivision does not apply to a request made by a pupil who is newly enrolled in the primary district.

(6) If a pupil is denied enrollment in a virtual course by the pupil's primary district, the primary district shall provide written notification to the pupil of the denial, the reason or reasons for the denial under subsection (5), and a description of the appeal process. The pupil may appeal the denial by submitting a letter to the superintendent of the intermediate district in which the pupil's primary district is located. The letter of appeal must include the reason provided by the primary district for not enrolling the pupil and the reason why the pupil is claiming that the enrollment should be approved. The intermediate district superintendent or designee shall respond to the appeal within 5 days after it is received. If the intermediate district superintendent or designee determines that the denial of enrollment does not meet 1 or more of the reasons specified in subsection (5), the primary district shall enroll the pupil in the virtual course.

(7) To provide a virtual course to an eligible pupil under this section, a provider must do all of the following:

(a) Ensure that the virtual course has been published in the pupil's primary district's catalog of board-approved courses or published in the statewide catalog of virtual courses maintained by the Michigan Virtual University.

(b) Assign to each pupil a teacher of record and provide the primary district with the personnel identification code assigned by the center for the teacher of record. If the provider is a community college, the virtual course must be taught by an instructor employed by or contracted through the providing community college.

(c) Offer the virtual course on an open entry and exit method, or aligned to a semester, trimester, or accelerated academic term format.

(d) If the virtual course is offered to eligible pupils in more than 1 district, the following additional requirements must also be met:

(i) Provide the Michigan Virtual University with a course syllabus that meets the definition under subsection (14)(g) in a form and manner prescribed by the Michigan Virtual University for inclusion in a statewide catalog of virtual courses.

(ii) Not later than October 1 of each fiscal year, provide the Michigan Virtual University with an aggregated count of enrollments for each virtual course the provider delivered to pupils under this section during the immediately preceding school year, and the number of enrollments in which the pupil earned 60% or more of the total course points for each virtual course.

(8) To provide a virtual course under this section, a community college shall ensure that each virtual course it provides under this section generates postsecondary credit.

(9) For any virtual course a pupil enrolls in under this section, the pupil's primary district must assign to the pupil a mentor and shall supply the provider with the mentor's contact information.

(10) For a pupil enrolled in 1 or more virtual courses, the primary district shall use foundation allowance or per-pupil funds calculated under section 20 to pay for the expenses associated with the virtual course or courses. A primary district is not required to pay toward the cost of a virtual course an amount that exceeds 6.67% of the target foundation allowance for the current fiscal year as calculated under section 20.

(11) A virtual learning pupil has the same rights and access to technology in ~~his or her~~ **the pupil's** primary district's school facilities as all other pupils enrolled in the pupil's primary district. The department shall establish standards for hardware, software, and internet access for pupils who are enrolled in more than 2 virtual courses under this section in an academic term, semester, or trimester taken at a location other than a school facility.

(12) If a pupil successfully completes a virtual course, as determined by the pupil's primary district, the pupil's primary district shall grant appropriate academic credit for completion of the course and shall count that credit toward completion of graduation and subject area requirements. A pupil's school record and transcript must identify the virtual course title as it appears in the virtual course syllabus.

(13) The enrollment of a pupil in 1 or more virtual courses must not result in a pupil being counted as more than 1.0 full-time equivalent pupils under this article. The minimum requirements to count the pupil in membership are those established by the pupil accounting manual as it was in effect for the 2015-2016 school year or as subsequently amended by the department if the department notifies the legislature about the proposed amendment at least 60 days before the amendment becomes effective.

(14) Subject to the requirements in this subsection, a district may provide instruction under this section for not more than 15 days in a school year. If a district plans to provide instruction under this section to pupils for not more than 15 days during a school year, the district's plan must be approved by the board of the district and the district must provide notice of the plan to impacted pupils and their parents or legal guardians before enactment of the plan. Days of instruction under this subsection may only be used for the following purposes, as defined by the department:

(a) Emergency closures.

(b) Student testing days.

(c) Professional development purposes, not to exceed a total of 30 hours during a school year.

(15) (14)-As used in this section:

(a) "Instructor" means an individual who is employed by or contracted through a community college.

(b) "Mentor" means a professional employee of the primary district who monitors the pupil's progress, ensures the pupil has access to needed technology, is available for assistance, and ensures access to the teacher of record. A mentor may also serve as the teacher of record if the primary district is the provider for the virtual course and the mentor meets the requirements under subdivision (e).

(c) "Primary district" means the district that enrolls the pupil and reports the pupil for pupil membership purposes.

(d) "Provider" means the district, intermediate district, community college, or other third-party vendor that the primary district pays to provide the virtual course or the Michigan Virtual University if it is providing the virtual course.

(e) "Teacher of record" means a teacher who meets all of the following:

(i) ~~Holds~~ **Is appropriately placed under** a valid Michigan teaching certificate or a teaching permit, ~~recognized authorization, or approval issued by the department. As used in this subparagraph, "appropriately placed" means holding a valid Michigan educator credential with the required grade range and discipline or subject area for the assignment, as defined by the superintendent of public instruction.~~

~~(ii) If applicable, is endorsed in the subject area and grade of the virtual course.~~

~~(ii) (iii)~~—Is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies and modifying lessons, reporting outcomes, and evaluating the effects of instruction and support strategies.

~~(iii) (iv)~~—Has a personnel identification code provided by the center.

~~(iv) (v)~~—If the provider is a community college, is an instructor employed by or contracted through the providing community college.

(f) “Virtual course” means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment where ~~the majority~~ **any portion** of the curriculum is delivered using the internet and in which pupils may be separated from their instructor or teacher of record by time or location, or both.

(g) “Virtual course syllabus” means a document that includes all of the following:

(i) An alignment document detailing how the course meets applicable state standards or, if the state does not have state standards, nationally recognized standards.

(ii) The virtual course content outline.

(iii) The virtual course required assessments.

(iv) The virtual course prerequisites.

(v) Expectations for actual instructor or teacher of record contact time with the virtual learning pupil and other communications between a pupil and the instructor or teacher of record.

(vi) Academic support available to the virtual learning pupil.

(vii) The virtual course learning outcomes and objectives.

(viii) The name of the institution or organization providing the virtual content.

(ix) The name of the institution or organization providing the instructor or teacher of record.

(x) The course titles assigned by the provider and the course titles and course codes from the National Center for Education Statistics (NCES) school codes for the exchange of data (SCED).

(xi) The number of eligible pupils that will be accepted by the provider in the virtual course. A primary district that is also the provider may limit the enrollment to those pupils enrolled in the primary district.

(xii) The results of the virtual course quality review using the guidelines and model review process published by the Michigan Virtual University.

(h) “Virtual learning pupil” means a pupil enrolled in 1 or more virtual courses.

Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there is allocated \$6,137,400.00 for ~~2022-2023~~ **2023-2024** for assisting districts assigned by the superintendent to participate in a partnership and districts that have established a community engagement advisory committee in partnership with the department of treasury, are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between ~~9,000-8,000~~ and ~~11,000-10,000~~ as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, to improve student achievement and district financial stability. The superintendent shall collaborate with the state treasurer to identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership. The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and nonprofit organizations to coordinate resources and improve student achievement. Assignment of a district to a partnership is made by the superintendent in consultation with the state treasurer.

(2) A district described in subsection (1) is eligible for funding under this section if the district includes at least 1 school that has been identified as low performing under the approved federal accountability system or the state accountability system. A district described in this subsection must do all of the following to be eligible for funding under this section:

(a) For a partnership district under this section, within 90 days of assignment to the partnership described in this section, and for a district described in subsection (1) that is not a partnership district under this section, by October 15 of each year, complete a comprehensive needs assessment or evaluation in collaboration with an intermediate district, community members, education organizations, and postsecondary institutions, as applicable, that is approved by the superintendent. The comprehensive needs assessment or evaluation must include at least all of the following:

(i) A review of the district’s implementation and utilization of a multi-tiered system of supports to ensure that it is used to appropriately inform instruction.

(ii) A review of the district and school building leadership and educator capacity to substantially improve student outcomes.

(iii) A review of classroom, instructional, and operational practices and curriculum to ensure alignment with research-based instructional practices and state curriculum standards.

(b) Develop an academic and financial operating or intervention plan that has been approved by the superintendent and that addresses the needs identified in the comprehensive needs assessment or evaluation completed under subdivision (a). The intervention plan must include at least all of the following:

(i) Specific actions that will be taken by the district and each of its partners to improve student achievement.

(ii) Specific measurable benchmarks that will be met within 18 months to improve student achievement and identification of expected student achievement outcomes to be attained within 3 years after assignment to the partnership.

(c) Craft academic goals that put pupils on track to meet or exceed grade level proficiency, **increase high school graduation rates, reduce class sizes, and improve attendance rates.**

(d) Provide access to training for district leadership, including, but not limited to, the superintendent or chief administrator and school board or board of directors members, on areas of education fiscal and policy matters.

(3) Upon approval of the academic and financial operating or intervention plan developed under subsection (2), the department, in collaboration with the department of treasury, shall assign a team of individuals with expertise in comprehensive school and district reform to partner with the district, the intermediate district, community organizations, education organizations, and postsecondary institutions identified in the academic and financial operating or intervention plan to review the district's use of existing financial resources to ensure that those resources are being used as efficiently and effectively as possible to improve student academic achievement and to ensure district financial stability. The superintendent of public instruction may waive burdensome administrative rules for a partnership district for the duration of the partnership agreement and for a district described in subsection (1) that is not a partnership district under this section and that receives funding under this section in the current fiscal year.

(4) Funds allocated under this section, excluding funds allocated under subsection (5), may be used to pay for district expenditures approved by the superintendent to improve student achievement. Funds may be used for professional development for teachers or district or school leadership, increased instructional time, teacher mentors, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. An eligible district must not receive funds under this section for more than 3 years. Notwithstanding section 17b, the department shall make payments to districts under this section on a schedule determined by the department.

(5) From the funds allocated under subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to be used by districts described in subsection (1). The superintendent of public instruction shall require districts described in subsection (1) to purchase a data analytics tool funded under this subsection as part of the agreements described in this section.

(6) The department, in consultation with the department of treasury, shall annually report to the legislature on the activities funded under this section and how those activities impacted student achievement in districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

(7) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$36,000,000.00 to districts described in subsection (1) for 2023-2024 only for supplemental funding to be used by districts for the purposes of this section in equal installments of \$12,000,000.00 in each of the fiscal years 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this subsection for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide assistance to districts eligible for funding under this section. The estimated completion date of the work project described in this subsection is September 30, 2026.

Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,492,000,000.00~~ **\$4,327,000,000.00** for ~~2021-2022~~ **2022-2023** and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~ **\$4,206,000,000.00** for ~~2022-2023~~ **2023-2024** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per-pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c to fully fund those allocations for the same fiscal year. ~~For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.~~

(2) To ensure that a district receives an amount equal to the district's 1994-95 total state and local per-pupil revenue for school operating purposes, there is allocated to each district a state portion of the district's 1994-95 foundation allowance in an amount calculated as follows:

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil of all property in the receiving district that is nonexempt property and taxable value per membership pupil of property in the receiving district that is commercial personal property do not include property within the geographic area of the dissolved district; ad valorem property tax revenue of the receiving district captured under tax increment financing acts does not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts; and certified mills do not include the certified mills of the dissolved district. For a community district, the department shall reduce the allocation as otherwise calculated under this section by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is offset by the increase in funding under section 22b(2).

(b) For a district that had a 1994-95 foundation allowance greater than \$6,500.00, the state payment under this subsection is the sum of the amount calculated under subdivision (a) plus the amount calculated under this subdivision. The amount calculated under this subdivision must be equal to the difference between the district's 1994-95 foundation allowance minus \$6,500.00 and the current year hold harmless school operating taxes per pupil. If the result of the calculation under subdivision (a) is negative, the negative amount is an offset against any state payment calculated under this subdivision. If the result of a calculation under this subdivision is negative, there is not a state payment or a deduction under this subdivision. The taxable values per membership pupil used in the calculations under this subdivision are as adjusted by ad valorem property tax revenue captured under tax increment financing acts divided by the district's membership. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, ad valorem property tax revenue captured under tax increment financing acts do not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts.

(3) For pupils in membership in a qualifying public school academy, there is allocated under this section to the authorizing body that is the fiscal agent for the qualifying public school academy for forwarding to the qualifying public school academy an amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under section 20.

(4) A district or qualifying public school academy may use funds allocated under this section in conjunction with any federal funds for which the district or qualifying public school academy otherwise would be eligible.

(5) Except as otherwise provided in this subsection, for a district that is formed or reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation, the resulting district's 1994-95 foundation allowance under this section beginning after the effective date of the consolidation or annexation is the average of the 1994-95 foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district in the fiscal year in which the consolidation takes place who reside in the geographic area of each of the original districts. If an affected district's 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of that district's 1994-95 foundation allowance is considered for the purpose of calculations under this subsection to be equal to the amount of the 1994-95 basic foundation allowance. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district.

(6) Payments under this section are subject to section 25g.

(7) As used in this section:

(a) “1994-95 foundation allowance” means a district’s 1994-95 foundation allowance calculated and certified by the department of treasury or the superintendent under former section 20a as enacted in 1993 PA 336 and as amended by 1994 PA 283.

(b) “Certified mills” means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(c) “Current fiscal year” means the fiscal year for which a particular calculation is made.

(d) “Current year hold harmless school operating taxes per pupil” means the per-pupil revenue generated by multiplying a district’s 1994-95 hold harmless millage by the district’s current year taxable value per membership pupil. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil does not include the taxable value of property within the geographic area of the dissolved district.

(e) “Dissolved district” means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(f) “Hold harmless millage” means, for a district with a 1994-95 foundation allowance greater than \$6,500.00, the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy could be reduced as provided in section 1211 of the revised school code, MCL 380.1211, and the number of mills of school operating taxes that could be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

(g) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(h) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(i) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(j) “Qualifying public school academy” means a public school academy that was in operation in the 1994-95 school year and is in operation in the current fiscal year.

(k) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(l) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes as defined in section 20.

(m) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(n) “Taxable value per membership pupil” means each of the following divided by the district’s membership:

(i) For the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy may be reduced as provided in section 1211 of the revised school code, MCL 380.1211, the taxable value of principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, mills do not include mills within the geographic area of the dissolved district.

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt

obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22b. (1) ~~For~~ **Except as otherwise provided in this section, for** discretionary nonmandated payments to districts under this section, there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$5,094,000,000.00~~ **\$5,663,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community district education trust fund appropriation in section 11, and there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$5,686,000,000.00~~ **\$6,236,200,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community district education trust fund appropriation in section 11. For ~~2021-2022~~, ~~an amount not to exceed \$14,500,000.00~~ **2022-2023**, **\$22,400,000.00** must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2022-2023~~, ~~\$19,500,000.00~~ **2023-2024**, **\$28,200,000.00** must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year. ~~For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.~~

(2) Subject to subsection (3) and section 296, the allocation to a district under this section is an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2), 51a(3), ~~and 51a(11), and 51e~~, minus the sum of the allocations to the district under sections 22a and 51c. For a community district, the allocation as otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and this increase must be paid from the community district education trust fund allocation in subsection (1) in order to offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4).

(3) In order to receive an allocation under subsection (1), each district must do all of the following:

- (a) Comply with section 1280b of the revised school code, MCL 380.1280b.
- (b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.
- (c) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.
- (d) Comply with section 1230g of the revised school code, MCL 380.1230g.
- (e) Comply with section 21f.
- (f) For a district that has entered into a partnership agreement with the department, comply with section 22p.

(4) Districts are encouraged to use funds allocated under this section for the purchase and support of payroll, human resources, and other business function software that is compatible with that of the intermediate district in which the district is located and with other districts located within that intermediate district.

(5) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state related to commercial or industrial property tax appeals, including, but not limited to, appeals of classification, that impact revenues dedicated to the state school aid fund.

(6) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by 1 or more districts or intermediate districts against this state. If the allocation under this section is insufficient to fully fund all payments required under this section, the payments under this subsection must be made in full before any proration of remaining payments under this section.

(7) It is the intent of the legislature that all constitutional obligations of this state have been fully funded under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim is made by an entity receiving funds under this

article that challenges the legislative determination of the adequacy of this funding or alleges that there exists an unfunded constitutional requirement, the state budget director may escrow or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the claim before making any payments to districts under subsection (2). If funds are escrowed, the escrowed funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of litigation. The work project is completed upon resolution of the litigation.

(8) If the local claims review board or a court of competent jurisdiction makes a final determination that this state is in violation of section 29 of article IX of the state constitution of 1963 regarding state payments to districts, the state budget director shall use work project funds under subsection (7) or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the amount owed to districts before making any payments to districts under subsection (2).

(9) If a claim is made in court that challenges the legislative determination of the adequacy of funding for this state's constitutional obligations or alleges that there exists an unfunded constitutional requirement, any interested party may seek an expedited review of the claim by the local claims review board. If the claim exceeds \$10,000,000.00, this state may remove the action to the court of appeals, and the court of appeals has and shall exercise jurisdiction over the claim.

(10) If payments resulting from a final determination by the local claims review board or a court of competent jurisdiction that there has been a violation of section 29 of article IX of the state constitution of 1963 exceed the amount allocated for discretionary nonmandated payments under this section, the legislature shall provide for adequate funding for this state's constitutional obligations at its next legislative session.

(11) If a lawsuit challenging payments made to districts related to costs reimbursed by federal title XIX Medicaid funds is filed against this state, then, for the purpose of addressing potential liability under such a lawsuit, the state budget director may place funds allocated under this section in escrow or allocate money from the funds otherwise allocated under this section, up to a maximum of 50% of the amount allocated in subsection (1). If funds are placed in escrow under this subsection, those funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate future federal title XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-6.

(12) For 2022-2023 only, from the allocation in subsection (1) the department may use the amount necessary, estimated at \$1,000,000.00, for payments to districts for state compliance with federal maintenance of equity requirements described in the American rescue plan act of 2021, Public Law 117-2. Notwithstanding section 17b, the department shall make calculations and payments under this subsection in a form and manner determined by the department.

(13) (12)-As used in this section:

(a) "Dissolved district" means that term as defined in section 20.

(b) "Local school operating revenue" means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.

(c) "Receiving district" and "school operating taxes" mean those terms as defined in section 20.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) "Eligible district" means a district that received payments under this section in the immediately preceding fiscal year and for which the local school operating revenue per membership pupil in the current school fiscal year exceeds the district's foundation allowance as calculated under section 20 for the current fiscal year.

(b) "Local school operating revenue" means that term as defined in section 22b.

(c) "Local school operating revenue per membership pupil" means a district's local school operating revenue divided by the district's membership excluding special education pupils.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, **an amount not to exceed \$8,858,000.00 is allocated for 2022-2023 and** an amount not to exceed ~~\$8,858,000.00~~ **\$11,601,000.00** is allocated for ~~2022-2023~~ **2023-2024** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for 2022-2023 **an amount not to exceed \$1,638,300.00 and there is allocated for 2023-2024** an amount not to exceed ~~\$1,638,300.00~~ **\$3,520,200.00** for payments under this subsection to eligible districts. A district that meets all of the following is an eligible district under this subsection:

- (a) Operates grades K to 12.
- (b) Has fewer than 250 pupils in membership.
- (c) Each school building operated by the district meets at least 1 of the following:
 - (i) Is located in the Upper Peninsula at least 30 miles from any other public school building.
 - (ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) is determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan must be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and must be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for 2022-2023 **an amount not to exceed \$7,219,700.00 and there is allocated for 2023-2024** an amount not to exceed ~~\$6,357,000.00~~ **\$7,580,800.00** for payments under this subsection to districts that have fewer than 10.0 pupils per square mile, as determined by the department, **or that have greater than 250 square miles.**

(5) The funds allocated under subsection (4) are allocated as follows:

(a) ~~An~~ **For 2022-2023**, an amount equal to \$5,470,400.00 **and for 2023-2024, an amount equal to \$5,743,900.00** is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

(b) The balance of the funding under subsection (4) is allocated as follows:

(i) For districts with at least 8.0 but fewer than 9.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 75% of the per-pupil amount allocated to districts under subdivision (a).

(ii) For districts with at least 9.0 but fewer than 10.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 50% of the per-pupil amount allocated to districts under subdivision (a).

(iii) For districts that have greater than 250 square miles, have at least 10.0 pupils per square mile, and do not receive funding under subsection (2), as determined by the department, the allocation is an amount per pupil equal to 100% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is not sufficient to fully fund payments as calculated under that subdivision, the department shall prorate payments to districts under subdivision (b) on an equal per-pupil basis. **If funding allocated under subdivision (b) remains unallocated after making calculations under that subdivision, the department may provide the remaining unallocated funding on an equal per-pupil basis to districts receiving funding under subdivision (b)(i) and (ii).**

~~(6) From the allocation in subsection (1), there is allocated an amount not to exceed \$862,700.00 for payments under this subsection to districts that have greater than 250 square miles and that do not receive funding under subsection (2) or (4). The funds allocated under this subsection must be allocated on an equal per-pupil basis.~~

(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$500,000.00 for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

(7) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4) or (6). A district receiving funds allocated under subsection (6) is not eligible for funding under subsection (2) or (4).

Sec. 22k. (1) The school transportation fund is created as a separate account within the state school aid fund for the purpose of supporting district transportation costs.

(2) The state treasurer may receive money or other assets from any source for deposit into the school transportation fund. The state treasurer shall direct the investment of the school transportation fund. The state treasurer shall credit to the school transportation fund interest and earnings from school transportation fund investments.

(3) Money in the school transportation fund at the close of the fiscal year remains in the school transportation fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school transportation fund for auditing purposes.

(5) Money available in the school transportation fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, \$350,000,000.00 from the state school aid fund must be deposited into the school transportation fund.

Sec. 22l. (1) From the school transportation fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$125,000,000.00 to districts for transportation costs. Funding for each district is as follows:

(a) The department must assign each district to a quartile based on the number of riders per mile and calculate the median cost per rider for each quartile.

(b) Funds must be distributed to each district at the lesser of the quartile's median cost per rider or the actual transportation cost per general education student at the district.

(c) If funds are insufficient to fully fund payments under this section, payments may be prorated on an equal percentage basis.

(2) In addition to the funds allocated under subsection (1), from the school transportation fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$200,000.00 to an intermediate district for a study on district transportation costs. The intermediate district receiving funds under this subsection must submit a report to the department, the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies by February 29, 2024 on the outcomes of the study under this subsection.

Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 an amount not to exceed ~~\$2,200,000.00~~ **\$3,500,000.00** for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

(2) An entity that is the fiscal agent for no more than 5 consortia of intermediate districts that previously received funding from the technology readiness infrastructure grant under former section 22i for the purpose of establishing regional data hubs that are part of the Michigan data hub network is eligible for funding under this section.

(3) The center shall work with an advisory committee composed of representatives from intermediate districts within each of the data hub regions to coordinate the activities of the Michigan data hub network.

(4) The center, in collaboration with the Michigan data hub network, shall determine the amount of funds distributed under this section to each participating regional data hub within the network, based upon a competitive grant process. The center shall ensure that the entities receiving funding under this section represent geographically diverse areas in this state.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the center.

(6) To receive funding under this section, a regional data hub must have a governance model that ensures local control of data, data security, and student privacy issues. The integration of data within each of the regional data hubs must provide for the actionable use of data by districts and intermediate districts through common reports and dashboards and for efficiently providing information to meet state and federal reporting purposes.

(7) Participation in a data hub region in the Michigan data hub network under this section is voluntary and is not required.

(8) Entities receiving funding under this section shall use the funds for all of the following:

(a) Creating an infrastructure that effectively manages the movement of data between data systems used by intermediate districts, districts, and other educational organizations in Michigan based on common data standards to improve student achievement.

(b) Utilizing the infrastructure to put in place commonly needed integrations, reducing cost and effort to do that work while increasing data accuracy and usability.

(c) Promoting the use of a more common set of applications by promoting systems that integrate with the Michigan data hub network.

(d) Promoting 100% district adoption of the Michigan data hub network.

(e) Ensuring local control of data, data security, and student data privacy.

(f) Utilizing the infrastructure to promote the actionable use of data through common reports and dashboards that are consistent statewide.

(g) Creating a governance model to facilitate sustainable operations of the infrastructure in the future, including administration, legal agreements, documentation, staffing, hosting, and funding.

(h) Evaluating future data initiatives at all levels to determine whether the initiatives can be enhanced by using the standardized environment in the Michigan data hub network.

(9) Not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each entity that received funds under this section that includes measurable outcomes based on the objectives described under this section and a summary of compiled data from each entity to provide a means to evaluate the effectiveness of the project. The center shall submit the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

Sec. 22p. (1) Subject to subsection (2), in order to receive funding under section 22b, a district or public school academy that is assigned by the superintendent of public instruction as a partnership district must have a signed 3-year partnership agreement with the department that includes all of the following:

(a) Measurable academic outcomes that the district or public school academy will achieve for each school operated by the district or public school academy that is subject to the partnership agreement after 18 months and after 36 months from the date the agreement was originally signed. Measurable academic outcomes under this subdivision must include all of the following:

(i) Outcomes that put pupils on track to meet or exceed grade level proficiency and that are based on district or public school academy needs identified as required under section 21h.

(ii) Either of the following, as applicable:

(A) At least 1 proficiency or growth outcome based on state assessments described in section 104b or 104c.

(B) At least 1 proficiency or growth outcome based on a benchmark assessment described in section 104h or 104i, as applicable.

(iii) Outcomes that are intended to measure improved high school graduation rates, as applicable.

(iv) Outcomes that measure attendance rates.

(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes described in subdivision (a) for each school operated by the district or public school academy that is subject to the partnership agreement. For a district assigned as a partnership district as described in this subsection, accountability measures under this subdivision must include the reconstitution of the school. For a public school academy assigned as a partnership district as described in this subsection, accountability measures under this subdivision may include the reconstitution of the school.

(c) For a public school academy assigned as a partnership district as described in this subsection, a requirement that, if reconstitution is imposed on a school that is operated by the public school academy and that is subject to the partnership agreement, the school must be reconstituted as described in section 507, 528, or 561, as applicable, of the revised school code, MCL 380.507, 380.528, and 380.561.

(d) For a district assigned as a partnership district as described in this subsection, a provision that, if reconstitution is imposed on a school that is operated by the district and that is subject to the partnership agreement, reconstitution may require closure of the school building, but, if the school building remains open, reconstitution must include, but is not limited to, all of the following:

(i) The district shall make significant changes to the instructional and noninstructional programming of the school based on the needs identified through a comprehensive review of data in compliance with section 21h.

(ii) The district shall review whether the current principal of the school should remain as principal or be replaced.

(iii) The reconstitution plan for the school must require the adoption of goals similar to the goals included in the partnership agreement, with a limit of 3 years to achieve the goals. If the goals are not achieved within 3 years, the superintendent of public instruction shall impose a second reconstitution plan.

(2) If a district or public school academy is assigned as a partnership district as described in subsection (1) during the current fiscal year, it shall ensure that it has a signed partnership agreement as described in subsection (1) in place by not later than 90 days after the date that it is assigned as a partnership district. If a district or public school academy described in this subsection does not comply with this subsection, the department shall withhold funding under section 22b for that district or public school academy until the district or public school academy has a signed partnership agreement as described in subsection (1) in place.

Sec. 23a. (1) A dropout recovery program operated by a district qualifies for the special membership counting provisions of section 6(4)(dd) and the hours and days of pupil instruction exemption under section 101(12) if the dropout recovery program meets all of the following:

(a) Enrolls only eligible pupils.

(b) Provides an advocate and teacher of record. An advocate may serve in that role for more than 1 pupil but not more than 50 pupils. An advocate or teacher of record may be employed by the district or may be provided by an education management organization that is partnering with the district. Before an individual is assigned to be an advocate or teacher of record for a pupil in the dropout recovery program, the district must comply with sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with respect to that individual.

- (c) Develops a written learning plan.
 - (d) Monitors the pupil's progress against the written learning plan.
 - (e) Requires each pupil to make satisfactory monthly progress, as defined by the district under subsection (2).
 - (f) Reports the pupil's progress results to the partner district at least monthly.
 - (g) The program may be operated on or off a district school campus, but may be operated using distance learning online only if the program provides a computer and internet access for each eligible pupil participating in the program.
 - (h) Is operated throughout the entire calendar year.
 - (i) If the district partners with an education management organization for the program, the education management organization has a dropout recovery program partnership relationship with at least 1 other district.
- (2) A district operating a dropout recovery program under this section shall adopt a definition of satisfactory monthly progress that is consistent with the definition of that term under subsection (3).
- (3) As used in this section:
- (a) "Advocate" means an adult available to meet in person with assigned pupils, as needed, to conduct social interventions, to proctor final examinations, and to provide academic and social support to pupils enrolled in the district's dropout recovery program.
 - (b) "Education management organization" means a private provider that operates 1 or more other dropout recovery programs that meet the requirements of this section in partnership with 1 or more districts.
 - (c) "Eligible pupil" means a pupil who has been expelled from school under the mandatory expulsion provisions in section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a, a pupil who has been suspended or expelled from school under a local policy, a pupil who is referred by a court, a pupil who is pregnant or is a parent, a pupil who was previously a dropout, or a pupil who is determined by the district to be at risk of dropping out.
 - (d) "Satisfactory monthly progress" means an amount of progress that is measurable on a monthly basis and that, if continued for a full 12 months, would result in the same amount of academic credit being awarded to the pupil as would be awarded to a general education pupil completing a full school year. Satisfactory monthly progress may include a lesser required amount of progress for the first 2 months a pupil participates in the program, **but must include at least a total of 0.25 earned academic credit by the end of that 2-month period.**
 - (e) "Teacher of record" means a teacher who holds a valid Michigan teaching certificate; who, if applicable, is endorsed in the subject area and grade of the course; and is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating the effects of instruction and support strategies. If the district partners with an education management organization for the program, the teacher of record may be employed by or contracted through the education management organization.
 - (f) "Written learning plan" means a written plan developed in conjunction with the advocate that includes the plan start and end dates, courses to be taken, credit to be earned for each course, teacher of record for each course, and advocate name and contact information.

Sec. 23g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$150,000,000.00 for payments to eligible recipients for implementing the MI Kids Back-on-Track program as described in this section.

(2) The department shall pay to each eligible recipient an equal amount per membership pupil who is not proficient in math or reading based on the most recent state summative assessment. Eligible recipients must use funding received under this section only for costs related to implementation of the MI Kids Back-on-Track program as described in this section. Implementation costs of the program include, but are not limited to, costs related to staffing, high-quality training, curriculum needs, student transportation needs, technology needs, materials, any purpose for which any district previously used funds allocated under section 98c, or other costs incurred as a result of the provision of services for the program.

(3) From the allocation in subsection (1), there is allocated \$600,000.00 to the Clinton County Regional Educational Service Agency to work with the Michigan Association of Intermediate School Administrators (MAISA), to do all of the following:

(a) Provide a report on tutoring programs eligible to be purchased by eligible recipients using the funding allocated under subsection (1).

(b) Develop and provide technical assistance to eligible recipients in selecting high-impact tutoring strategies and include their integration into eligible recipients' Michigan Integrated Continuous Improvement Process (MICIP) plans. Developing and providing technical assistance may include the design and integration of eligible tutoring programs within the MiStrategyBank.

(c) Collect, aggregate, and report data in collaboration with the MAISA Michigan Collaborative Hub. An amount not to exceed \$300,000.00 of the funds allocated under this subsection may be used for this purpose.

(d) Provide an annual report of tutoring programs to the office of the governor, senate and house education committees, the senate and house appropriations subcommittees on school aid, the state budget director, and the department based on the criteria described in subsection (4) to be included in the MiStrategyBank, and the educational effectiveness as documented at least through data submitted through the Michigan data hub.

(4) The list of eligible tutoring programs contained within the MiStrategyBank must only consist of tutoring programs, including, but not limited to, those created by for-profit vendors, nonprofit vendors, intermediate districts, districts, and the Michigan Schools for the Deaf and Blind, that are aligned with high-impact tutoring that must include all of the following criteria:

(a) Tutoring is provided in groups of 4 or fewer students.

(b) The tutor or tutors provide consistent service to students throughout the school year.

(c) Tutoring is provided a minimum of 3 times per week for at least 20 to 30 minutes per session.

(d) Except as otherwise provided in this subdivision, tutoring is implemented throughout the school day. Tutoring that is a before- or after-school program may be approved if the tutoring meets the other criteria described in this subsection.

(e) Trained tutors provide the tutoring. Trained tutors may include teachers, paraprofessionals, community providers, AmeriCorps members, or other individuals who have received training.

(f) The program uses a high-quality curriculum that utilizes research-based strategies that are aligned with state academic standards.

(g) Tutoring is data-driven and includes the use of formative assessments and student progress measures that meet criteria in subdivision (h).

(h) Progress monitoring is part of the tutoring program, and includes using curriculum-based measures that include all of the following:

(i) Identification of a valid, reliable progress monitoring assessment tool that is curriculum-based.

(ii) Implementation of standardized procedures for collecting data.

(iii) Standardized repeated assessments over time that are graphed.

(iv) Comparisons with a goal set using validated strategies.

(v) Collecting data with fidelity, documented by direct observation using a checklist with immediate performance feedback.

(vi) Graphed progress monitoring data that is reviewed by a team every 4 to 8 weeks to determine student response to intervention.

(i) Progress monitoring tools that must do all of the following:

(i) Have a sufficient number of alternate forms.

(ii) Specify minimum acceptable growth.

(iii) Provide criterion-referenced or norm-referenced benchmarks.

(iv) Possess validity and reliability for the performance score.

(j) Tutoring fidelity is established through direct observation using a checklist with immediate performance feedback provided by a qualified staff person, such as an instructional coach.

(k) Tutoring does not replace Tier 1 or core instruction time or curricula for reading or math.

(l) Tutoring is supplemental to core academic instruction and not a replacement for core academic instruction.

(m) Tutoring assessment and intervention is evidence-based, with experimental research studies, 1 of which must be published or pending publication in a peer-reviewed publication.

(5) All tutoring programs in the MiStrategyBank must be reviewed by MAISA. If necessary, MAISA may convene a committee to review tutoring programs for inclusion in the MiStrategyBank. The committee described in this subsection must include all of the following members:

(a) Two certified teachers representing elementary and secondary schools.

(b) A representative from the MiMTSS TA Center.

(c) A representative from an institution of higher education with a teacher preparation college.

(d) Two representatives of the department.

(e) One representative of the MAISA Michigan Collaboration Hub.

(f) An intermediate district designee with a background in English language arts.

(g) An intermediate district designee with a background in mathematics.

(6) A district, intermediate district, or the Michigan Schools for the Deaf and Blind that meets all of the following is an eligible recipient under this section:

(a) It applies for funding in a form and manner prescribed by the department. An intermediate district may apply on behalf of its constituent districts.

(b) It posts a MI Kids Back-on-Track plan to its website homepage that describes evidence-based actions the district, intermediate district, or Michigan Schools for the Deaf and Blind is taking to respond to student needs related to unfinished learning and how funds received under this section will create or expand these efforts. The plan described in this subdivision must meet the following criteria:

(i) Reflect input from educators, parents and legal guardians, and community members.

(ii) Include an analysis of student data and describe student needs.

(iii) Identify evidence-based best practices to be implemented or expanded in response to student needs.

(iv) Include a plan to implement identified tutoring in the district's, intermediate district's, or Michigan Schools for the Deaf and Blind's MICIP plan.

(c) It implements and maintains functionality on its website homepage that allows parents, legal guardians, and students to request additional assistance through the MI Kids Back-on-Track program.

(d) It provides transparency reporting on the MI Kids Back-on-Track program spending, including posting on its website a transparency dashboard concerning funding from the federal elementary and secondary school emergency relief fund used for the program, in a form and manner prescribed by the department.

(e) It ensures that all tutoring is supported by individuals who provide training and coaching. The individuals described in this subdivision shall meet all of the following criteria:

(i) Have established knowledge and expertise in all aspects of the tutoring program.

(ii) Support the integration of the tutoring into a school's multi-tiered systems of support framework.

(iii) Support and provide initial and ongoing professional development or training of tutors.

(iv) Participate in or lead data review meetings of graphed progress monitoring data of all students being tutored every 4 to 8 weeks.

(v) Provide fidelity checks for program implementation using a checklist with immediate performance feedback.

(f) By September 1 of each fiscal year for which it receives funding under this section, it pledges to provide data through MiDataHub that includes the outcomes and performance measures of the tutoring program, including, but not limited to, the degree to which tutoring is demonstrating sufficient efficacy and impact. The data submission under this subdivision must include all of the following:

(i) Children and schools receiving tutoring.

(ii) Number of children and schools served.

(iii) Demographics of children served.

(iv) Dosage of tutoring, including frequency and minutes per week.

(v) Percentage of tutoring occurring on days possible.

(vi) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and intervention fidelity checks completed and the range and mean of fidelity.

(vii) Student growth rate, such as average linear, and outcomes by grade or age level, in comparison to a criterion-referenced or norm-referenced targeted growth rate.

(viii) Exit rates of students who successfully complete the tutoring program.

(ix) Percentage of students who exit and then maintain their learning through the end of the school year as demonstrated by a valid and reliable assessment designed for this purpose, such as a universal screening assessment.

(x) Percentage of students who exit and then meet or exceed local spring universal screening targets for their grade level.

(xi) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, teachers, kids, families, and tutors.

(7) If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.

(8) If data required under subsection (6)(f) are not submitted via the MiDataHub by September 1 of the current fiscal year, the eligible recipient must forfeit future funding and may be required to reimburse funds.

(9) The evaluation of programs under this section must be conducted by an approved department evaluator. If an alternative evaluator is desired, the eligible recipient must submit a request in writing with rationale to the department on or before January 1 of the current fiscal year.

(10) The superintendent of public instruction shall provide guidelines to eligible recipients on evidence-based best practices and effective strategies an eligible recipient may use to respond to unfinished learning and shall provide resources to assist eligible recipients in implementing the evidence-based practices, including through high-impact tutoring programs listed in the MiStrategyBank described in subsection (4). Guidelines may include technical assistance that may include, but is not limited to, planning, implementation, and training or coaching.

(11) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to address unfinished learning. The estimated completion date of the work project is September 30, 2025.

(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(13) As used in this section, the “MI Kids Back-on-Track program” means programs provided before school, during school, after school, or during the summer, directly by the eligible recipient or in partnership with community-based organizations for students in any of grades pre-K to 12 in this state that are designed to address unfinished learning, get students to grade-level academic standards, provide additional academic assistance to students at risk of falling behind their peers, or help high school students prepare for postsecondary education.

Sec. 23h. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$25,000,000.00 to support the improvement of mathematics teaching and learning in this state over a 2-year period.

(2) Funds allocated under this section must be used for grants to districts and intermediate districts for the following purposes:

(a) Continued system development, capacity building, and networking spaces for early math specialists in districts and intermediate districts.

(b) Support for all of the following:

(i) The delivery of high-quality professional learning delivered regionally to support teachers’ implementation of best practices mathematics instruction.

(ii) Collaboration with researchers with expertise in early mathematics to develop resources to support implementation of best practices, including on-demand capacity building courses available to all teacher and instructional leaders in this state.

(iii) The development of a process or tools, including leveraging the MiStrategyBank and the MiSTEM Regional Network, to share best practices support for math goals in this state’s continuous improvement process.

(c) Incentives and supports for K to 5 schools in the purchasing and implementation of high-quality mathematics instructional materials programs to engage students in equitable high-quality mathematics learning experiences through a guided adoption process through intermediate districts.

(d) Supports for the expansion of math recovery specialists statewide through intermediate districts. These specialists must do all of the following:

(i) Support the implementation of research-based diagnostic assessments, learning progressions, and high-quality instructional tools to help participants increase student understanding and achievement.

(ii) Build upon the assets of math recovery in this state.

(iii) Expand and begin to sustain the efforts specific to this state’s mathematics essentials and the collaboration between the department and state educational organizations focused on increasing mathematics achievement.

(e) Supports for secondary schools in offering supplemental just-in-time, personalized support programs.

(3) To receive funding under this section, districts and intermediate districts must apply for the funding in a form and manner determined by the department. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support improvement of mathematics teaching and learning in this state. The estimated completion date of the work project is September 30, 2025.

Sec. 23i. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$397,000.00 for 2023-2024 only to River Rouge School District to partner with a 501(c)(3) nonprofit organization that employs salaried professional mentors who support youth and their families from grades K to 12.

(2) The funds allocated under subsection (1) must be used for a salaried professional mentorship program that meets all of the following:

(a) The program employs a 2-generational approach to supporting youth in and outside of the classroom, particularly in reading and math comprehension.

(b) The program supports students and their families by connecting them to concrete supports like education and employment pathways, housing, utility assistance, and food security.

(c) The program is located in a city with a population greater than 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 24. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$7,650,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district is calculated as prescribed under subsection (2).

(2) The department shall allocate the total amount allocated under this section by paying to the educating district or intermediate district an amount equal to the lesser of the district's or intermediate district's added cost or the department's approved per-pupil allocation for the district or intermediate district. For the purposes of this subsection:

(a) "Added cost" means 100% of the added cost each fiscal year for educating all pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services or the department of licensing and regulatory affairs and approved by the department to provide an on-grounds education program. Added cost is computed by deducting all other revenue received under this article for pupils described in this section from total costs, as approved by the department, in whole or in part, for educating those pupils in the on-grounds education program or in a program approved by the department that is located on property adjacent to a juvenile detention facility or child caring institution. Costs reimbursed by federal funds are not included.

(b) "Department's approved per-pupil allocation" for a district or intermediate district is determined by dividing the total amount allocated under this section for a fiscal year by the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the district or intermediate district.

(3) A district or intermediate district educating pupils described in this section at a residential child caring institution may operate, and receive funding under this section for, a department-approved on-grounds educational program for those pupils that is longer than 181 days, but not longer than 233 days, if the child caring institution was licensed as a child caring institution and offered in 1991-92 an on-grounds educational program that was longer than 181 days but not longer than 233 days and that was operated by a district or intermediate district.

(4) Special education pupils funded under section 53a are not funded under this section.

Sec. 24a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,355,700.00 for ~~2022-2023~~ **2023-2024** for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of health and human services. The amount of the payment to each intermediate district is an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district's boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of health and human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of health and human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils must not be transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2022-2023~~ **2023-2024** for payments to strict discipline academies and qualified districts, as provided under this section.

(2) In order to receive funding under this section, a strict discipline academy or qualified district must first comply with section 25e and use the pupil transfer process under that section for changes in enrollment as prescribed under that section.

(3) The total amount allocated to a strict discipline academy or qualified district under this section must first be distributed as the lesser of the strict discipline academy's or qualified district's added cost or the department's approved per-pupil allocation for the strict discipline academy or qualified district. Subject to subsection (7), any funds remaining after the first distribution must be distributed by prorating on an equal per-pupil membership basis, not to exceed a strict discipline academy's or qualified district's added cost. However, the sum of the amounts received by a strict discipline academy or qualified district under this section and under section 24 must not exceed the product of the strict discipline academy's or qualified district's per-pupil allocation calculated under section 20 multiplied by the strict discipline academy's or qualified district's full-time equated membership. The department shall allocate funds to strict discipline academies and qualified districts under this section on a monthly basis.

(4) Special education pupils funded under section 53a are not funded under this section.

(5) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (3), the department shall prorate payments under this section on an equal per-pupil basis.

(6) The department shall make payments to strict discipline academies and qualified districts under this section according to the payment schedule under section 17b.

(7) For purposes of this section, the pupil membership for the current fiscal year for a qualified district is the actual number of pupils that are in the custody of a county juvenile agency as described in subsection (8)(c).

(8) As used in this section:

(a) "Added cost" means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance at a strict discipline academy or qualified district. Added cost must be computed by deducting all other revenue received under this article for pupils described in this subdivision from total costs, as approved by the department, in whole or in part, for educating those pupils in a strict discipline academy or qualified district. The department shall include all costs, including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.

(b) "Department's approved per-pupil allocation" means, for a strict discipline academy or qualified district, an amount equal to the quotient of the total amount allocated under this section for a fiscal year and the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the strict discipline academy or qualified district.

(c) "Qualified district" means a public school academy that is not a strict discipline academy that enrolls individuals who are in the custody of a county juvenile agency to which both of the following are applicable:

(i) The agency had custody of individuals who were enrolled in a strict discipline academy in the 2020-2021 school year.

(ii) The strict discipline academy that the individuals described in subparagraph (i) were enrolled in subsequently closed.

(d) "Strict discipline academy" means a public school academy established under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m.

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$750,000.00 for ~~2022-2023~~ **2023-2024** for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE in a fiscal year, then the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal to that portion multiplied by the educating district's foundation allowance or per-pupil payment calculated under section 20.

(2) Special education pupils funded under section 53a are not funded under this section.

(3) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (1), the department shall prorate payments under this section on an equal per-pupil basis.

(4) The department shall make payments to districts under this section according to the payment schedule under section 17b.

Sec. 25k. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2023-2024 only for payments to a district that, as of April 1, 2023, was providing a full complement of educational services to students who reside in a secure residential facility, as provided in this section.

(2) In order to receive funding under this section, the district described in subsection (1) must use the funding to provide and enhance schooling for convicted juvenile offenders who have been assigned to a juvenile treatment program in a secure residential facility that is located in a city with a population

between 8,950 and 9,050 located in a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$14,000,000.00 for ~~2021-2022-2023-2024~~ to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2021, and there is allocated an amount not to exceed \$14,000,000.00 for ~~2022-2023~~ to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2022-2023~~. The department shall pay the allocations not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,989,000.00~~ **\$5,084,000.00** for ~~2022-2023-2023-2024~~ for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts under section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

Sec. 26c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$14,800,000.00~~ **\$20,500,000.00** for ~~2021-2022-2022-2023~~ and there is allocated an amount not to exceed ~~\$14,800,000.00~~ **\$26,000,000.00** for ~~2022-2023-2023-2024~~ to the promise zone fund created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

(2) Funds allocated to the promise zone fund under this section must be used solely for payments to eligible districts and intermediate districts, in accordance with section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a promise zone development plan approved by the department of treasury under section 7 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and intermediate districts shall use payments made under this section for reimbursement for qualified educational expenses as that term is defined in section 3 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1663.

(3) The promise zone fund is created as a separate account within the state school aid fund to be used solely for the purposes of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

(a) The state treasurer shall direct the investment of the promise zone fund. The state treasurer shall credit to the promise zone fund interest and earnings from fund investments.

(b) Money in the promise zone fund at the close of a fiscal year remains in the promise zone fund and does not lapse to the general fund.

(4) Subject to subsection (2), the state treasurer may make payments from the promise zone fund to eligible districts and intermediate districts under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the purposes of a promise zone authority created under that act.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 26d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$12,000,000.00 for 2021-2022~~ and an amount not to exceed \$14,400,000.00 for ~~2022-2023~~ **and 2023-2024** for reimbursements to intermediate districts as required under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

(2) The amounts reimbursed under subsection (1) must be used by the intermediate district only for the purposes for which the property taxes were originally levied.

(3) The Michigan strategic fund and the Michigan economic development corporation shall work with the department of treasury in identifying the amount of tax revenues that are to be reimbursed under subsection (1).

(4) Notwithstanding section 17b, the department **of treasury** shall make payments under this section on a schedule determined by the department **of treasury**.

Sec. 27a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed \$20,000,000.00 and from the general fund money appropriated in

section 11, there is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed \$5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification.

(2) To establish initial eligibility for an award from funding under this section, an individual must meet all of the following conditions by the date of enrollment described in subdivision (b):

(a) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate.

(b) ~~Be admitted to an eligible educator preparation program; and begin the first semester of that program on or after the start of the fall 2022 academic semester; be working toward a teacher certification; and be enrolled in enough coursework to earn at least 24 credits in an~~ **be considered enrolled full-time during the academic year, as determined by the student's educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department; and, for students at institutions of higher education, be considered at least a junior-level student, as determined by the institution of higher education.**

(c) Not have previously earned a teacher certification.

(d) Timely complete a grant application in a form and manner prescribed by the department of treasury.

(e) Timely file the Free Application for Federal Student Aid for the enrollment period described in subdivision (b).

(f) Timely apply for all available gift aid for the enrollment period described in subdivision (b).

(g) Agree to repay any funds received from funding under this section if the individual does not maintain enrollment in their educator preparation program, the individual does not successfully complete their educator program, or the individual does not complete the work requirement described in subsection (7).

(h) Have a high school or college grade point average of at least 3.0.

(i) Be a resident of this state, as determined for purposes of the Free Application for Federal Student Aid.

(3) To establish continuing eligibility for an award under this section at an eligible educator preparation program, an individual must meet all of the following conditions:

(a) ~~Maintain full-time continuous enrollment in an eligible educator preparation program, and earn at least 24 credits in an academic year as determined by the educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department, excluding any period of time missed due to a medical or other emergency, as determined by the department of treasury.~~

(b) Maintain satisfactory academic progress, including a grade point average of at least 3.0, in courses provided by the eligible educator preparation program and meet requirements established by the eligible educator preparation program.

(c) Participate in relevant academic and career advising programs offered by the eligible educator preparation program.

(d) Timely file the Free Application for Federal Student Aid for each academic year in which the individual receives an award from funding under this section.

(e) Timely apply for all available gift aid for each academic year in which the individual applies for funding under this section.

(f) Maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.

(4) ~~An award under this section must not exceed \$10,000.00 per academic year or the cost of tuition at the in-district resident rate plus other required fees, as determined by the department of treasury, at the eligible educator preparation program attended, whichever is less. As used in this subsection, the cost of tuition at an educator preparation program that is an institution of higher education is the in-district resident rate plus other required fees, as determined by the department of treasury; and the cost of tuition at an educator preparation program that is an alternative certification provider is the cost of tuition plus other required fees, as determined by the department of treasury.~~

(5) Awards under this section must be distributed to eligible educator preparation programs on behalf of an eligible recipient on a timeline determined by the department of treasury.

(6) Pending available funds, applicants may renew their award for up to 3 years, or until program completion, whichever comes first.

(7) To be an eligible recipient of fellowship funding under this section, an individual must pledge to work as a certified teacher in a public school, ~~nonpublic school,~~ or a qualifying public preschool program in this state and must meet 1 of the following work requirements:

(a) For a recipient of funding under this section who received an award for 1 academic year, 3 years of work as a certified teacher in a public school, ~~nonpublic school,~~ or a qualifying public preschool program in this state.

(b) For a recipient of funding under this section who received an award for 2 academic years, 4 years of work as a certified teacher in a public school, ~~nonpublic school~~, or a qualifying public preschool program in this state.

(c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school, ~~nonpublic school~~, or a qualifying public preschool program in this state.

(d) For a recipient working in a critical needs district, 3 years of work as a certified teacher. As used in this subdivision, "critical needs district" means a district with a median household income in the lowest quartile in each prosperity region, as determined by the department.

(8) If an award recipient does not maintain enrollment in their educator preparation program as required under subsection (3)(a), does not successfully complete their educator preparation program, or does not meet the work requirement described in subsection (7), any amount received from funds under this section converts to a 0% interest loan that must be repaid to this state within 10 years, **plus any deferment period as determined and approved by the department of treasury.** The amount of repayment must be reduced proportionate to the number of years worked in schools or qualifying public preschool programs in this state as a certificated teacher out of 5 years. The department of treasury shall develop guidance to enforce this subsection.

(9) An individual may not concurrently receive funding through programs funded under this section and grow your own programs funded under section 27b.

(10) If the amount allocated in subsection (1) is not sufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund or the educator fellowship private provider fund, as applicable, the amount necessary to fully fund these programs. The state budget director shall provide notification to the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies for any additional appropriation described under this subsection.

(11) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

(12) The department of treasury shall report to the chairpersons of the house appropriations subcommittee on school aid and education and the senate appropriations subcommittee on pre-K to 12 by February 1 of the current fiscal year. The report must include the following:

(a) The number and amount of awards granted in the previous fiscal year.

(b) The number of recipients in the previous fiscal year that had their awards converted to loans under subsection (8).

(13) (12)-As used in this section, "eligible educator preparation program" means an a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable:

(a) Is a public or nonpublic institution of higher education in this state approved by the department to offer teacher preparation programming.

(b) Has an established school of education with an educator preparation program approved by the department.

(b) (c)-Enrolls 1 or more future educator fellowship recipients.

(c) (d)-Has not increased tuition and fee rates above the limitations described in section 265.241c.

Sec. 27b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$20,000,000.00 and from the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$155,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to districts and intermediate districts for a grow your own program as described in subsection (2).

(2) Districts and intermediate districts receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this subsection must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs include, but are not limited to:

(a) Tuition and fees for attendance at a state-approved education preparation provider for an accelerated degree, for a traditional bachelor's degree for current staff who are not teachers, or for an advanced degree. **As used in this subdivision, "advanced degree" includes, but is not limited to, a postbaccalaureate credential or certificate.**

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 through 12 to consider a career in education. Not more than 10% of funds received by a district or intermediate district under this section may be used for this purpose.

(3) The department shall establish a grant process to distribute funds under this section. A district or intermediate school district must apply for funds in a form and manner prescribed by the department. As part of the application described in this subsection, a district or intermediate district must submit the following information and assurances:

(a) Demonstrated need for funding in the district or intermediate district or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be utilized that includes expected tuition, fees, and books for the program.

(b) Number of support staff projected to participate in a grow your own program described in this section.

(c) For funds for the purposes described in subsection (2)(f), a description of the program being implemented and the number of students the program is intended to reach.

(d) Assurances that the pathway will be no cost for participants and that participants will be compensated as an employee for the duration of their training, including a paid residency or student teaching.

(e) Identification of eligible recipients and a pledge to hire an eligible recipient as a full-time teacher upon their receipt of an initial teaching certificate and provide for student teaching opportunities.

(f) A pledge that, before providing funding under this section to an eligible recipient, the district or intermediate district will require that the eligible recipient pledge to serve as a full-time teacher at the district or intermediate district for at least the same number of years as the recipient participated in a grow your own program. If the district or intermediate district is unable to hire an eligible recipient as required under subdivision (e), the eligible recipient may serve the years the recipient pledged to serve under this subdivision at another district, intermediate district, or nonpublic school.

(4) An individual may not concurrently receive funding for programs under this section and programs funded under sections 27a and 27c.

(5) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for grow your own programs in districts and intermediate districts. The estimated completion date of the work project is December 31, 2026.

Sec. 27c. (1) From the state school aid fund money appropriated in section 11, there is allocated \$50,000,000.00 for 2022-2023-2023-2024 for the MI future educator student teacher stipend program. Except as otherwise provided in this section, the funds allocated under this section must be paid to eligible educator preparation programs for payments to eligible student teachers working in a district.

(2) An eligible student teacher under this subsection must meet all of the following:

(a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, be participating in required student teaching coursework, and be maintaining satisfactory academic progress. As used in this subdivision, "required student teaching coursework" means credit hours, or the program equivalent, required by an eligible educator preparation program for successful completion of the program. This coursework must include regular placement in a district where the student gains real-world, first-hand experience working in a classroom, teaching students, engaging in the day-to-day activities of a certified teacher, and working daily under the guidance of a certified teacher.

(b) The individual must timely complete an application in a form and manner prescribed by the department of treasury. The application must include the district in which the individual is working as a student teacher and must include a certification by the district and the individual's eligible educator preparation program that the student is working as a student teacher. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the district in which the individual is working must also provide an assurance that they will forward any amount received under this section from the department of treasury for purposes of the program described in this section to the individual's eligible educator preparation program.

(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching.

(d) If an individual is ~~paid~~**employed** by their district **as a teacher of record**, they are not eligible for payment under this section.

(e) An individual that is a current City Year corps member enrolled in an eligible educator preparation program is eligible for payment under this section.

(3) The department of treasury shall pay each eligible educator preparation program an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of treasury shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual's eligible educator preparation program. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of treasury shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds received under this section, in entirety, to the eligible student teacher. ~~Eligible student teachers may use these funds for any of the following:~~

(a) ~~Tuition costs.~~

(b) ~~Living expenses, including, but not limited to, housing costs, health care costs, and transportation costs.~~

(c) ~~Childcare costs for a dependent of the student teacher.~~

(d) ~~Any other costs associated with student teaching, as determined by the department of treasury.~~

(5) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

(6) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:

(a) Is a public or private institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.

(c) Has not increased tuition and fee rates above the limitations described in section 265-241c.

Sec. 27g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$10,000,000.00 to intermediate districts and consortia of intermediate districts based on the number of pupils in membership in constituent districts of the intermediate district or consortium of intermediate districts to support the Talent Together coalition as described in this section.

(2) Intermediate districts and consortia of intermediate districts shall use the money received under this section to partner with 1 eligible nonprofit to provide funding, programs, and technical assistance for the following activities:

(a) Teacher recruitment, teacher retention, and teacher development to ensure greater efficacy, satisfaction, and outcomes.

(b) Improve teacher certification programs to increase quality and retention, and to foster close relationships with schools.

(c) Provide school leader development programs to increase educator retention and efficacy.

(d) Serve as a convener and hub for innovation and conversation to support collaboration and coordination among this state's educator talent efforts.

(e) Promote research so that this state can learn from its investments and innovations and become a top state for educators.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(4) As used in this section, "eligible nonprofit" means an entity that meets all of the following criteria, as determined by the department:

(a) Is based in this state.

(b) Operates statewide.

(c) Is a non-higher education institution under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(d) Has formal partnerships with more than 35 intermediate districts in this state.

(e) Has launched a statewide grow your own program in partnership with intermediate districts.

(f) Has staff experienced in implementing research-based programs in all of the following areas:

(i) Teacher recruitment.

(ii) Teacher development.

(iii) Teacher retention.

- (iv) Teacher certification.
- (v) School leader development.
- (vi) School leader retention.

(g) Has staff experienced in designing and developing a department-approved grow your own program.

Sec. 27h. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only for the purposes of this section an amount not to exceed \$50,000,000.00. Programs funded under this section are intended to expand support for new teachers, school counselors, and administrators; improve their instructional practices; and improve teacher retention.

(2) From the allocation under subsection (1), the department shall provide grants to districts for mentor stipends to support and retain quality teachers, school counselors, and administrators in this state.

(3) To receive a grant under this section, a district must apply for the grant in a form and manner prescribed by the department.

(4) Districts that receive grants under subsection (2) may use the funding for any of the following allowable expenditures:

(a) Stipends for any of the following individuals:

(i) Veteran teachers who serve as mentor teachers of teachers participating in grow your own programs.

(ii) Veteran teachers who serve as mentor teachers for teachers who are within their first 3 years of teaching.

(b) Stipends for any of the following individuals:

(i) Veteran school counselors who serve as mentor school counselors of school counselors participating in grow your own programs.

(ii) Veteran school counselors who serve as mentor school counselors for school counselors who are within their first 3 years of serving as school counselors.

(c) Stipends for any of the following individuals:

(i) Veteran school administrators who serve as mentor school administrators of school administrators participating in grow your own programs.

(ii) Veteran school administrators who serve as mentor school administrators for school administrators who are within their first 3 years of serving as school administrators.

(d) Training for mentor teachers, mentor school counselors, and mentor administrators.

(e) Books, materials, professional learning expenses, and other resources necessary for mentoring and onboarding new teachers. Professional learning expenses under this subdivision must be in addition to professional learning requirements described under section 1526 of the revised school code, MCL 380.1526.

(f) Staffing costs to cover time spent by both new and mentor teachers, school counselors, and administrators dedicated to mentoring and onboarding rather than being in the classroom or performing other job duties.

(g) Contracting with 1 or more established state professional organizations to provide mentoring services to school administrators. Only \$3,000.00 per administrator or the actual program cost, whichever is lesser, of the costs described in this subdivision may be reimbursed from grant funding under subsection (2).

(5) From the allocation under subsection (1), there is allocated \$500,000.00 for a competitive grant to assist the department with the development of research-based mentor standards, curricula, and professional learning to ensure mentors are prepared to support new teachers. Intermediate districts and other educational entities are eligible to apply for this grant in a form and manner determined by the department.

(6) From the allocation under subsection (1), there is allocated \$500,000.00 for a competitive grant to conduct a program evaluation of activities funded under this section. The evaluation must identify recommendations to strengthen the program. Qualified evaluators are eligible to apply for this grant in a form and manner prescribed by the department. The funds allocated under this subsection for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to evaluate the activities under this section. The estimated completion date of the work project is September 30, 2027.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Subject to subsection (6), the funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The

purpose of the work project is to continue support for grants for mentor stipends. The estimated completion date of the work project is September 30, 2028. It is the intent of the legislature that up to \$10,000,000.00 be expended each year.

Sec. 27i. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$15,000,000.00 to pilot the creation and implementation of a rural educator credentialing hub.

(2) The department must award a grant to a lead approved educator preparation institution to develop the hub working with a consortium of other educator preparation institutions and rural districts to support prospective educators through certifications and career experiences.

(3) To receive funding under this section, educator preparation institutions must apply for the funding in a form and manner prescribed by the department. The department must prioritize funding for educator preparation institutions best equipped to support rural districts with the greatest need for additional credentialed educators.

(4) The hub described in subsection (1) must provide programming and supports for educators to complete requirements for initial or additional credentials, at no cost to the educator, through assessment of nontraditional and experiential learning and to offset associated costs, including, but not limited to, costs related to transcript review, assessments of skills and knowledge, mentoring, licensure test fees, reasonable course fees, and preparation experiences.

(5) The hub described in subsection (1) must meet the credentialing needs of a variety of educators, including individuals who completed or nearly completed formal teacher preparation in this state or another state but have not been certified, individuals who have worked successfully in rural schools under temporary credentials, and veteran educators seeking to expand the authorizations of their credentials.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) As used in this section, "rural district" means districts defined by the department.

Sec. 27j. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$5,000,000.00 for payments to an eligible intermediate district as described in this section.

(2) The department shall award a grant to an intermediate district to enter into a partnership with a statewide special education organization to improve the capacity of building-level special education administration personnel.

(3) The special education organization described in subsection (2) must provide a training series for school building-level leaders that ensures the knowledge, skills, mentoring, wellness framework, and strategies needed to support special educators, students with disabilities, and their families and community.

(4) Notwithstanding section 17b, the department shall make grant payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 do not lapse to the state school aid fund and are carried forward into 2024-2025. The purpose of the work project is to deliver the training described in subsection (3). The estimated completion date of the work project is September 30, 2025.

Sec. 27k. (1) From the state school aid fund money appropriated in section 11, \$225,000,000.00 is allocated for 2023-2024 only to districts and intermediate districts for the purposes under this section.

(2) To receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.

(3) A district or intermediate district that receives funding under this section shall use the funding only to implement a student loan repayment program in accordance with guidelines issued by the department. The guidelines must include all of the following criteria:

(a) A system for which the district or intermediate district verifies all of the following:

(i) That each eligible participant owes federal student loans.

(ii) That each eligible participant is enrolled in the federal public service loan forgiveness program and is under, pursuant to federal law, a payment plan that makes eligible payments toward federal public service loan forgiveness.

(iii) That each eligible participant is enrolled in an income-driven repayment plan. Participants may be exempt from this requirement if their loan is not eligible for income-driven repayment.

(b) A requirement that each eligible participant shall receive up to \$200.00 per month, or, if the eligible participant is employed in a district or intermediate district that is assigned to band 6 in the opportunity index, as described in section 31a, up to \$400.00 per month, for the duration of the

program or the total amount of the eligible participant's monthly federal student loan payment, as verified under subdivision (a), whichever is less. As used in this subdivision, "band 6 in the opportunity index" means at least 85% of pupils in the district or intermediate district are economically disadvantaged pupils.

(c) A requirement that payments to eligible participants through the program must be made in equal amounts on a monthly basis.

(d) A requirement that an eligible participant must only receive funding through the program if the eligible participant continues to meet the criteria of an eligible participant.

(e) A requirement that an eligible participant annually, or, if the participant leaves the program, on the date the participant leaves the program, if applicable, certifies to the district or intermediate district that the eligible participant made payments toward the eligible participant's federal student loan with the funding received under this section.

(f) A requirement that the eligible participant certifies to the district or intermediate district any increases or decreases in the participant's monthly payment toward the eligible participant's federal student loan.

(4) An eligible participant remains eligible, unless otherwise provided under federal law or other state laws, for student loans even though the eligible participant receives funding from the money allocated under this section.

(5) Payments to an eligible participant by districts or intermediate districts under this section must be made for no more than 10 years or until the eligible participant's federal student loan is paid off, whichever occurs earlier.

(6) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue support for federal student loan repayment programs as described in this section. The estimated completion date of the work project is December 31, 2026.

(7) If the amount allocated under this section is insufficient to fully make payments to all eligible participants as required under this section, the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis.

(8) As used in this section:

(a) "At-risk pupil" means that term as defined in section 31a.

(b) "Eligible participant" means an individual who is participating in a federal student loan repayment program described in subsection (3) and who is working 32 hours or more per week at a district or intermediate district in a role in which the individual works directly with pre-K to 12 students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students.

Sec. 27l. From the state school aid fund money appropriated in section 11, there is allocated \$63,800,000.00 for 2023-2024 only to districts in an equal amount per pupil. It is the intent of the legislature that districts will use the funds to increase educator compensation.

Sec. 27m. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only, \$4,000,000.00 to districts and intermediate districts to fund financial awards to eligible Michigan teachers who hold National Board Certification.

(2) A district or intermediate district must apply in a form and manner determined by the department. Awards must be granted as \$4,000.00 to all eligible teachers who hold National Board Certification, and an additional \$6,000.00 for eligible teachers who hold National Board Certification and serve in Title I schools.

(3) To be eligible to receive an award, eligible teachers must meet the following, as applicable:

(a) Be employed in classroom teaching at least 50% of the teacher's full-time hours, as determined by the district or intermediate district.

(b) To receive an award under subsection (4), hold National Board Certification by January 1, 2024.

(4) Subject to subsection (6), and notwithstanding section 17b, awards under subsection (2) must be paid to the districts and intermediate districts by April 30, 2024.

(5) If the amount allocated under subsection (1) is insufficient to fully make payments to all eligible participants as required under subsection (1), the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis.

(6) If funding remains after the awards under subsection (4) are granted, the department shall grant additional awards under subsection (2) on a first-come, first-served basis. An eligible teacher may receive more than 1 award under subsection (2), but shall not receive more than 1 award in a single fiscal year.

(7) In addition to the funds allocated in subsection (1), an amount not to exceed \$1,000,000.00 for 2023-2024 only from the state school aid fund money appropriated in section 11 must be used for eligible teachers to cover National Board for Professional Teaching Standards Certification fees for first-time candidates in Title I schools.

(8) A district or intermediate district shall apply for funding under subsection (7) in a form and manner determined by the department. The department shall approve applications under subsection (7) on a first-come, first-served basis. Notwithstanding section 17b, awards under subsection (7) must be paid on a schedule determined by the department.

(9) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to enable and encourage teachers to get National Board Certification. The estimated completion date of the work project is September 30, 2026.

(10) As used in this section, "eligible teacher" includes individuals who hold a valid or expired Michigan teaching certificate and are employed by the district or intermediate district as teachers, including those in teacher leadership roles as a peer assistance and review coach, mentor, or other teacher support provider if the position does not require a school administrator certificate.

Sec. 27n. From the state school aid fund money appropriated in section 11, \$2,000,000.00 is allocated for 2023-2024 only to Saginaw Public School District to fund the enrollment of employees of Saginaw Public School District in the Accelerated Certification with Residency (ACR) Program at Saginaw Valley State University for the employees to earn their teaching certificate. Saginaw Public School District shall directly make payments to Saginaw Valley State University for the enrollment of employees as described in this section.

Sec. 27o. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$2,000,000.00 for Eaton Regional Education Service Agency for a Learner Wallet pilot tutoring initiative that includes all of the following:

(a) The provision of a real-time student tracking tool for each teacher and tutor. The tool described in this subdivision must track and record the academic performance results for each student who is a candidate for tutoring services. The tool may also track academic and nonacademic experiences.

(b) The provision of a real-time tracker tool to each student engaged in tutoring services. The tool described in this subdivision must be a secure, private online data management tool to store evidence of the student's academic and skills-based achievements. The tool must be tied to the Michigan data hub system and allow for exporting and importing into the data hub.

(c) The ability for each student engaged in tutoring services to share the real-time tracker tool under subdivision (b) with the student's tutor and allow the tutor to input credentials to the student tracking tool under subdivision (a) to give credit for frequency, type, and achievements for the tutoring program.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 27p. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$66,353,000.00 to Marquette-Alger RESA for an apprenticeship model grow your own program as part of a consortia of at least 45 intermediate districts.

(2) The intermediate district receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this section must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree.

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 to 12 to consider a career in education. Not more than 10% of funds received by a district or intermediate district under this section may be used for this purpose.

(3) An intermediate district may not concurrently receive funding under this section and receive funding under section 27b for 2022-2023, unless already awarded by the department under section 27b before July 1, 2023.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is December 31, 2026.

Sec. 27q. From the state school aid fund money appropriated in section 11, there is allocated \$2,000,000.00 for 2023-2024 only to the school district of the city of Hamtramck for both of the following purposes:

(a) To hire accelerated learning coaches for each of the 8 schools in the district. The coaches described in this subdivision shall do all of the following:

- (i) Lead efforts in the district to support learning and teaching.
- (ii) Work directly with teachers to model lessons, co-teach, and work with small groups.
- (iii) Prioritize equitable access to grade-level content and high-quality resources for all students.
- (iv) Focus on the depth of instruction rather than the pace, and implement an accelerated learning cycle to identify gaps and scaffold instruction as needed.

(v) Collaborate with teachers to provide support in addressing learning gaps and improving student achievement.

(b) For the provision of professional development for the coaches described in subdivision (a). The professional learning described in this subdivision must be aligned with best practices in accelerating student learning, including strategies for differentiation, assessment, and data analysis.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in 2022-2023, 2023-2024, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

- (a) Section 22d, isolated and rural districts, ~~\$8,858,000.00~~ **\$11,601,000.00**.
- (b) Section 22i, transportation reimbursement, ~~\$125,000,000.00~~ **\$125,000,000.00**.
- (c) ~~(b)-~~Section 31a, at risk, ~~\$747,500,000.00~~ **\$952,000,000.00**.
- (d) ~~(c)-~~Section 41, bilingual education for English language learners, ~~\$26,511,000.00~~ **\$39,766,500.00**.
- (e) ~~(d)-~~Section 51c, special education, mandated percentages, ~~\$709,900,000.00~~ **\$820,000,000.00**.
- (f) ~~(e)-~~Section 61a, career and technical education, standard reimbursement, ~~\$47,611,300.00~~ **\$48,011,300.00**.
- (g) ~~(f)-~~Section 61d, career and technical education incentives, ~~\$5,000,000.00~~ **\$5,000,000.00**.

(2) The funding described in subsection (1) is not a separate allocation of any funding but is instead a listing of funding allocated in the sections listed in subsection (1).

Sec. 29. (1) The enrollment stabilization fund is created as a separate account in the state school aid fund for the purpose of stabilizing the effects of declining enrollment.

(2) The state treasurer may receive money or other assets from any source for deposit into the enrollment stabilization fund. The state treasurer shall direct the investment of the enrollment stabilization fund. The state treasurer shall credit to the enrollment stabilization fund interest and earnings from enrollment stabilization fund investments.

(3) Money in the enrollment stabilization fund at the close of the fiscal year remains in the enrollment stabilization fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the enrollment stabilization fund for auditing purposes.

(5) Money available in the enrollment stabilization fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, \$314,000,000.00 from the state school aid fund is deposited into the enrollment stabilization fund.

(7) From the enrollment stabilization fund money appropriated under section 11, there is allocated an amount not to exceed \$71,000,000.00 for 2023-2024 for districts and intermediate districts for which membership in the immediately preceding fiscal year, as calculated under section 6 in the immediately preceding fiscal year, exceeds membership in the current fiscal year, as calculated under section 6 in the current fiscal year.

(8) The allocation under subsection (7) must be an amount equal to the sum of the product of .50 and the district's or intermediate district's membership for the immediately preceding fiscal year, as calculated under section 6 of the immediately preceding fiscal year, and the product of .50 and the

district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, minus the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, multiplied by the target foundation allowance for the current fiscal year.

Sec. 30d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$100,000,000.00 for 2023-2024, and from the school meals reserve fund money appropriated in section 11, there is allocated an amount not to exceed \$25,000,000.00 for 2022-2023 and an amount not to exceed \$60,000,000.00 for 2023-2024 for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school pupils in grades pre-K to 12.

(2) In order to receive funding from this section, a participating entity must participate in the National School Lunch Program and must do all of the following:

(a) Provide reimbursable breakfasts and reimbursable lunches at no cost to all students for any school breakfast program or school lunch program operated by the participating entity.

(b) Except for 2022-2023, submit information regarding the number of reimbursable breakfasts and reimbursable lunches served in a manner prescribed by the department.

(c) Maximize federal reimbursement for reimbursable breakfasts and reimbursable lunches by operating under the CEP if the participating entity has an identified student percentage greater than or equal to the minimum requirement to be eligible to participate in the CEP. For purposes of this subdivision, all eligible participating entities must elect CEP on behalf of a single school, a group or groups of schools, or all schools in the participating entity, as applicable, in a manner that maximizes federal reimbursement.

(d) The participating entity meets all applicable state and federal standards in its school breakfast and lunch programs, as determined by the department.

(e) The participating entity takes all efforts to maximize and implement policies that require parents or guardians to fill out relevant family income information, in a manner prescribed by the department, for the purposes of determining student eligibility for federal free or reduced cost meal reimbursement rates and CEP eligibility determinations.

(f) By not later than February 1, 2024, all school meal debt has been forgiven by the participating entity, as determined by the department.

(3) Participating entities are encouraged to offer meals that meet students' dietary restrictions, including the provision of gluten-free meals, vegetarian meals, vegan meals, and, upon request, kosher meals, halal meals, and meals meeting any allergy restrictions as confirmed by a doctor's note.

(4) For each eligible participating entity, the department shall pay an amount equal to the following:

(a) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of breakfasts and lunches provided by the participating entity to students, less the federal revenue received by the participating entity under the school breakfast program and the school lunch program under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, and other state lunch payments received under section 31d.

(b) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of breakfasts and lunches provided by the participating entity, as applicable, to children participating in the Great Start Readiness Program under section 32d at the participating entity, less all other federal and state lunch payments made for those children. For purposes of this subdivision, compliance with 7 CFR 226.9 is required. The department shall assign rates of reimbursement pursuant to 7 CFR 226.9, at least annually, on the basis of family size and income information reported by each eligible participating entity. Assigned rates of reimbursement must be adjusted annually to reflect changes in the national average payment rates.

(5) Notwithstanding section 17b, the department may make payments under this section on a schedule determined by the department.

(6) As used in this section:

(a) "CEP" means the Community Eligibility Provision under the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

(b) "Participating entity" means a district, intermediate district, or the Michigan Schools for the Deaf and Blind.

(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is not sufficient to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.

Sec. 30e. (1) The school meals reserve fund is created as a separate account in the state school aid fund for the purpose of covering the cost of student school meals.

(2) The state treasurer may receive money or other assets from any source for deposit into the school meals reserve fund. The state treasurer shall direct the investment of the school meals reserve fund. The state treasurer shall credit to the school meals reserve fund interest and earnings from school meals reserve fund investments.

(3) Money in the school meals reserve fund at the close of the fiscal year remains in the school meals reserve fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school meals reserve fund for auditing purposes.

(5) Money available in the school meals reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, \$245,000,000.00 from the state school aid fund is deposited into the school meals reserve fund.

(7) At the close of each fiscal year, unspent funds from state sources allocated in sections 30d, 31d, and 31f must be deposited into the school meals reserve fund.

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022-2023-2024 an amount not to exceed \$537,650,000.00, ~~\$990,150,000.00~~, and from the general fund money appropriated in section 11 there is allocated for 2021-2022-2023-2024 an amount not to exceed \$1,500,000.00, and, from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$785,650,000.00, and from the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$1,500,000.00 for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For 2021-2022 only, for a district that has combined state and local revenue per membership pupil under sections 20 and 20m that is greater than the target foundation allowance under section 20 for the current fiscal year and that, for the immediately preceding fiscal year, had combined state and local revenue per membership pupil under section 20 and 20m that was greater than the target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under subsection (4) is an amount equal to 35% of the allocation for which it would otherwise be eligible under subsection (4) before any proration under subsection (15). It is the intent of the legislature that, if revenues are sufficient and if districts with combined state and local revenue per membership pupil under sections 20 and 20m that is below the target foundation allowance are receiving nonprorated payments under subsection (4), the percentage in the immediately preceding sentence must be increased annually until it reaches 100%. If a district has combined state and local revenue per membership pupil under sections 20 and 20m that is greater than the target foundation allowance under section 20 that was in effect for the 2018-2019 fiscal year, the district shall receive an amount per pupil equal to 11.5% of the target foundation allowance, as applied under subsection (4), and before any proration under subsection (15). This subsection does not apply beginning in 2022-2023.

(2) (3) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7) or (8), the district or public school academy, for grades K to 12, must comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, and shall use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement a multi-tiered system of supports that is an ~~evidence-based~~ **evidence-based** framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports described in this subsection must provide at least all of the following essential components:

(a) Team-based leadership.

(b) A tiered delivery system.

(c) Selection and implementation of instruction, interventions, and supports.

(d) A comprehensive screening and assessment system.

(e) Continuous data-based decision making.

(3) (4) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed ~~\$512,500,000.00~~ and, for ~~2022-2023~~, an amount not to exceed ~~\$747,500,000.00~~ **\$952,000,000.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to ~~11.5% of~~ **a percentage calculated under subsection (4) multiplied by** the target foundation allowance for the following, as applicable:

(a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:

(i) The number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.

(ii) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. These calculations must be made at the building level. This subparagraph only applies to an eligible district or eligible public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this subparagraph, “identified student percentage” means the quotient of the number of pupils in an eligible district or eligible public school academy who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program, divided by the total number of pupils counted in an eligible district or eligible public school academy on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program.

(b) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the immediately preceding school year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the current fiscal year.

(c) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the current fiscal year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the current fiscal year.

(d) If, for a particular fiscal year, the number of membership pupils in a district or public school academy who are determined under subdivision (a) to be economically disadvantaged or to be eligible based on the identified student percentage varies by more than 20 percentage points from the number of those pupils in the district or public school academy as calculated under subdivision (a) for the immediately preceding fiscal year caused by an egregious reporting error by the district or public school academy, the department may choose to have the calculations under subdivision (a) instead be made using the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the immediately preceding fiscal year.

(4) Each district or public school academy must be assigned to an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under subsection (3) for the district or public school academy and the total number of pupils in the district or public school academy in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district or public school academy must be assigned an opportunity index band as follows:

(a) A district or public school academy with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive reimbursement under subsection (3) at a rate of at least 35.0% and less than 36.0%. The reimbursement rate under this subdivision must be an amount equal to the district’s opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 35.0%.

(b) A district or public school academy with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive reimbursement under subsection (3) at a rate of at least 36.0% and less than 37.5%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 36.0%.

(c) A district or public school academy with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive reimbursement under subsection (3) at a rate of at least 37.5% and less than 39.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 37.5%.

(d) A district or public school academy with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive reimbursement under subsection (3) at a rate of at least 39.0% and less than 42.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this subdivision, plus 39.0%.

(e) A district or public school academy with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive reimbursement under subsection (3) at a rate of at least 42.0% and less than 47.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this subdivision, plus 42.0%.

(f) A district or public school academy with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive reimbursement under subsection (3) at a rate of 47.0%.

(g) As used in this subsection, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), or (8). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (4), (3), may use the funds it receives under this section for school security or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align to the needs assessment and the multi-tiered system of supports model and, for funds spent on parent liaison personnel, must connect parents to the school community. A district or public school academy shall not use any of the money received under this section for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year.

(6) A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed \$10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.

(7) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed ~~\$8,000,000.00~~ **\$33,000,000.00** and ~~there is allocated for 2022-2023 an amount not to exceed \$33,000,000.00 to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. When making funding decisions for new adolescent health centers under this subsection, the department and department of health and human services shall prioritize support for primary health care services in unserved counties as of the effective date of the amendatory act that added this sentence. July 14, 2022. An amount not to exceed 4% of the funds allocated for 2022-2023~~ **2023-2024** under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state.

(8) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed \$5,150,000.00 and ~~there is allocated for 2022-2023 an amount not to~~

exceed \$5,150,000.00 for the state portion of the hearing and vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an amount not to exceed \$1,500,000.00 ~~and there is allocated for 2022-2023 an amount not to exceed \$1,500,000.00~~ for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the vision screenings must be as required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule determined by the department.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of ~~at-risk-at-risk~~ pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

(10) In order to receive funds under this section, a district or public school academy must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy shall reimburse the state for all disallowances found in the audit.

(11) Subject to subsections (6), (7), and (8), for schools in which more than 40% of pupils are identified as at-risk, a district or public school academy may use the funds it receives under this section to implement tier 1, evidence-based practices in schoolwide reforms that are guided by the district's comprehensive needs assessment and are included in the district improvement plan. Schoolwide reforms must include parent and community supports, activities, and services, that may include the pathways to potential program created by the department of health and human services or the communities in schools program. As used in this subsection, "tier 1, evidence-based practices" means research based instruction and classroom interventions that are available to all learners and effectively meet the needs of most pupils.

(12) A district or public school academy that receives funds under this section may use those funds to provide research based professional development and to implement a coaching model that supports the multi-tiered system of supports framework. Professional development may be provided to district and school leadership and teachers and must be aligned to professional learning standards; integrated into district, school building, and classroom practices; and solely related to the following:

(a) Implementing the multi-tiered system of supports required in subsection ~~(3)-(2)~~ with fidelity and utilizing the data from that system to inform curriculum and instruction.

(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection ~~(3)-(2)~~, with fidelity.

~~(13) For 2021-2022, a district or public school academy that receives funds under subsection (4) or (17) may use funds received under subsection (4) or (17) for support staff providing services to at-risk pupils. For 2022-2023, 2023-2024 a district or public school academy that receives funds under subsection (4)-(3) may use funds received under subsection (4)-(3) for support staff providing services to at-risk pupils.~~

(14) A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to children who meet at least 1 of the criteria in subsection ~~(20)(a)(i) to (x)~~ ~~(18)(a)(i) to (x)~~.

(15) **If Except as otherwise provided in this subsection, if necessary, the department shall prorate payments under this section, except payments under subsection (7), (8), or, for 2021-2022, (17), (7) or (8), by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district. Subject to the availability of funds, if proration is necessary under this subsection, the department must ensure that no district receives an amount less than 11.5% of the target foundation for each economically disadvantaged pupil enrolled in the district.**

(16) If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.

~~(17) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$12,000,000.00 for payments to districts and public school academies that otherwise received an allocation under this subsection for 2020-2021 and whose allocation under this section for 2020-2021, excluding any payments under subsection (7) or (8), would have been more than the district's or public school academy's allocation under this section for 2021-2022 as calculated under subsection (4) only and as adjusted under subsection (15). The allocation for each district or public school academy under this subsection is an amount equal to its allocation under this section for 2020-2021 minus its allocation as otherwise calculated under subsection (4) for 2021-2022 as adjusted by subsection (15), using in those calculations the 2017-2018 number of pupils determined to be economically disadvantaged. However, if the allocation as otherwise calculated under this subsection would have been less than \$0.00, the allocation under this subsection is \$0.00. If necessary, and before any proration required under section 296, the department shall prorate payments under this subsection by reducing the amount of the allocation as otherwise calculated under this subsection by an equal percentage per district or public school academy. Any unexpended funds under this subsection are to be distributed through payments made under subsection (4) as provided under subsection (4), but those funds must not be factored into calculating payments under this subsection. This subsection does not apply beginning in 2022-2023.~~

~~(17)~~ (18) A district or public school academy that receives funds under this section may use funds received under this section to provide an anti-bullying or crisis intervention program.

~~(18)~~ (19) The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential success coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not proficient in English language arts, based upon state assessments for pupils in those grades.

~~(19)~~ (20) As used in this section:

(a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has documentation that the pupil meets any of the following criteria:

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

(iii) The pupil is chronically absent as defined by and reported to the center.

(iv) The pupil is a victim of child abuse or neglect.

(v) The pupil is a pregnant teenager or teenage parent.

(vi) The pupil has a family history of school failure, incarceration, or substance abuse.

(vii) The pupil is an immigrant who has immigrated within the immediately preceding 3 years.

(viii) The pupil did not complete high school in 4 years and is still continuing in school as identified in the Michigan cohort graduation and dropout report.

(ix) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.

(x) Is a pupil who is at risk of not meeting the district's or public school academy's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.

(b) "Combined state and local revenue" means the aggregate of the district's state school aid received by or paid on behalf of the district under section 20 and the district's local school operating revenue.

(c) "Combined state and local revenue per membership pupil" means the district's combined state and local revenue divided by the district's membership excluding special education pupils.

(d) "Economically disadvantaged" means a pupil who has been determined eligible for free or reduced-price meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center.

(e) "English language learner" means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.

(f) "Local school operating revenue" means that term as defined in section 22b.

Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$24,553,400.00~~ **\$27,553,400.00** for ~~2021-2022~~ **2022-2023** and there is allocated an amount not to exceed ~~\$24,553,400.00~~ **\$29,553,400.00** for ~~2022-2023~~ **2023-2024** for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section are used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of lunch programs provided by those districts. The department shall calculate the amount due to each district under this section using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997).

(3) The payments made under this section include all state payments made to districts so that each district receives at least 6.0127% of the necessary costs of operating the state mandated portion of the lunch program in a fiscal year.

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined by the department.

(5) From the federal funds appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ all available federal funding, estimated at ~~\$900,000,000.00~~, **\$901,400,000.00**, and there is allocated for ~~2022-2023-2023-2024~~ all available federal funding, estimated at ~~\$900,000,000.00~~, **\$901,400,000.00** for child nutrition programs and, for ~~2021-2022-2022-2023~~, all available federal funding, estimated at ~~\$30,700,000.00~~, **\$15,000,000.00**, and, for ~~2022-2023-2023-2024~~, all available federal funding, estimated at ~~\$15,000,000.00~~, for food distribution programs.

(6) Notwithstanding section 17b, the department shall make payments to eligible entities other than districts under this section on a schedule determined by the department.

(7) In purchasing food for a lunch program funded under this section, a district or other eligible entity shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$12,400,000.00 for 2021-2022 and \$11,900,000.00 for 2022-2023~~, **and there is allocated an amount not to exceed \$16,900,000.00 for 2022-2023-2023-2024** for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

(2) The funds allocated under this section for school breakfast programs are made available to all eligible applicant districts that meet all of the following criteria:

(a) The district participates in the federal school breakfast program and meets all standards as prescribed by 7 CFR parts 210, 220, 225, 226, and 245.

(b) Each breakfast eligible for payment meets the federal standards described in subdivision (a).

(3) The payment for a district under this section is at a per meal rate equal to the lesser of the district's actual cost or 100% of the statewide average cost of a meal served, as determined and approved by the department, less federal reimbursement, participant payments, and ~~other state reimbursement~~. **breakfast reimbursements received under section 30d.** The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

(4) Notwithstanding section 17b, the department may make payments under this section pursuant to an agreement with the department.

(5) In purchasing food for a school breakfast program funded under this section, a district shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated **for 2023-2024** an amount not to exceed \$500,000.00, ~~and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for 2021-2022, and from the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$8,800,000.00 for 2022-2023 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$8,800,000.00 for 2023-2024~~ for a program to support districts and other non-school sponsors in the purchase of locally grown fruits and vegetables as described in this section. ~~It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,000,000.00. It is the intent of the legislature that, for 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,000,000.00.~~

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 1% for each partner.

(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to

purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or other non-school sponsor is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-school sponsor in the previous school year. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and other non-school sponsors and electronic information on Michigan agriculture.

(4) The goals of the program under this section include improving daily nutrition and eating habits for children through the school and child care settings while investing in Michigan's agricultural and related food business economy.

(5) A district or other non-school sponsor that receives a grant under this section shall use those funds for the costs incurred by the district or the sponsor to purchase whole or minimally processed fruits, vegetables, and legumes that meet both of the following:

(a) For each fiscal year, were purchased for use in meals and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between September 1 through August 30 of that fiscal year.

(b) Are grown in this state and, if minimally processed, are also processed in this state.

(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs.

(7) In awarding grants under this section, the department shall work in consultation with Michigan-based farm to school resource organizations, to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts or other non-school sponsors on plans for educational activities that promote the goals of the program.

(8) The department shall give preference to districts or other non-school sponsors that propose educational activities that meet 1 or more of the following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

(9) In awarding grants, the department shall also consider all of the following:

(a) The percentage of children who qualify for free or reduced price school meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(b) The variety of school or child care center sizes and geographic locations within the identified prosperity regions.

(c) Existing or planned collaboration between child care sponsors, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.

(10) As a condition of receiving a grant under this section, a district or other non-school sponsor shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or other non-school sponsor also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or other non-school sponsor and school or non-school sponsor food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than 60 days after the end of the period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district or each non-school sponsor shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and other non-school sponsors. All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and other non-school sponsors, along with the number of different types of products purchased; school and non-school sponsor food purchasing trends identified

along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.

(ii) The district or other non-school sponsor shall use purchasing data collected for the program and surveys of school and non-school sponsor food service directors on the impact and success of the program as the source for the data described in subparagraph (i).

(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and other non-school sponsor centers and increase their consumption of those foods. All of the following apply for purposes of this subdivision:

(i) The data used to determine whether this subdivision is met are the number of pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-school sponsor centers; the variety of products served; new items taste-tested or placed on menus; and the increase in pupil willingness to try new local healthy foods.

(ii) The district or other non-school sponsor shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school and non-school sponsor food service directors as the source for the data described in subparagraph (i).

(11) The department shall compile the reports provided by districts and other non-school sponsors under subsection (10) into 1 legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31k. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$2,500,000.00 for payments to eligible districts as described in this section.

(2) Notwithstanding section 17b, to receive funding under this section a district must apply for the funding in a form and manner prescribed by the department by, as a first-time applicant, not later than October 1, 2023, or, if applying through a second application as described in subsection (6), not later than March 1, 2024.

(3) A district that demonstrates to the department that all outstanding student-meal debt has been forgiven is an eligible district under this section.

(4) Subject to subsection (8), the department shall provide payments to eligible districts in an amount necessary to reimburse the eligible districts for the cost of forgiving all outstanding student-meal debt.

(5) Notwithstanding section 17b, the department shall make reimbursement payments under this section as follows:

(a) Except as otherwise provided under subdivision (b), payments under subsection (4) to all eligible districts must be made by not later than 60 days after October 1, 2023.

(b) Payments under subsection (6) to all eligible districts must be made by not later than 60 days after March 1, 2024, as provided under subsection (6).

(6) Subject to subsection (8), if the amount paid to eligible districts under subsection (4) is less than the amount allocated under subsection (1), the department may distribute the remaining funds to eligible districts through a second application in an amount necessary to reimburse eligible districts for the cost of forgiving all outstanding student-meal debt. An eligible district receiving a reimbursement payment under subsection (4) is not eligible for a reimbursement payment through a second application under this subsection.

(7) An eligible district receiving payments under this section shall adopt policies to prevent public identification or stigmatization of pupils who cannot pay for a school meal. These policies must prohibit all of the following:

(a) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt to wear a wristband or handstamp.

(b) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt to perform chores or other work to pay for school meals.

(c) Requiring a pupil to dispose of a meal after it has been served because the pupil is unable to pay for the meal or owes a student-meal debt.

(d) Communicating directly with a pupil about a student-meal debt unless the district has attempted to contact, but has been unsuccessful in communicating with, a pupil's parent or legal guardian through telephone, mail, and email.

(e) Discussing a pupil's student-meal debt in the presence of other pupils.

(8) If the amount allocated under this section is insufficient to fully reimburse the cost of student-meal debt forgiveness for all eligible districts, the department shall prorate the reimbursement on an equal percentage per district.

(9) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to reimburse districts for forgiven student-meal debt. The estimated completion date of the work project is September 30, 2024.

Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ for the purposes of this section an amount not to exceed ~~\$77,600,000.00~~ **\$106,545,000.00** and from the general fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** for the purposes of this section an amount not to exceed \$1,300,000.00. The department and the department of health and human services shall continue a program to distribute this funding to add licensed behavioral health providers for general education pupils, and **recipients of the funds under subsection (6)** shall continue to seek federal Medicaid match funding for all eligible mental health and support services.

(2) The department and the department of health and human services shall maintain an advisory council for programs funded under this section **and any other funding under this act to improve or maintain the mental health of students, except for programs funded under section 31a(7) and (8).** The advisory council shall define goals for implementation of programs, ~~funded under this section,~~ and shall provide feedback on that implementation. At a minimum, the advisory council shall consist of representatives of state associations representing school health, school mental health, school counseling, education, health care, and other organizations, representatives from the department and the department of health and human services, and a representative from ~~the school safety task force created under Executive Order No. 2018-5,~~ **the school safety and mental health commission.** The department and department of health and human services, working with the advisory council, shall determine an approach to increase capacity for mental health and support services in schools for general education pupils, and shall determine where that increase in capacity qualifies for federal Medicaid match funding.

(3) The advisory council shall develop a fiduciary agent checklist for intermediate districts to facilitate development of a plan to submit to the department and to the department of health and human services. The department and department of health and human services shall determine the requirements and format for intermediate districts to submit a plan for possible funding under subsection (6). The department shall make applications for funding for this program available to districts and intermediate districts not later than December 1 of each fiscal year for which funds are allocated under this section and shall award the funding not later than February 1 of each fiscal year for which funds are allocated under this section.

(4) The department of health and human services shall ~~seek to amend the state Medicaid plan or to obtain appropriate Medicaid waivers as necessary for the purpose of generating additional Medicaid match funding for school mental health and support services for general education pupils, -The intent is that a successful state plan amendment or other Medicaid match mechanisms will result in additional federal Medicaid match funding for both the new funding allocated under this section and for any expenses already incurred by districts and intermediate districts for mental health and support services for general education pupils, and this expansion is called Caring for Students (C4S).~~

(5) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$14,300,000.00 to be distributed to the network of child and adolescent health centers to place a licensed master's level behavioral health provider in schools that do not currently have services available to general education students. Child and adolescent health centers that are part of the network described in this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. The department shall provide funds under this subsection to child and adolescent health centers that are part of the network described in this subsection in the same proportion that funding under section 31a(7) is provided to child and adolescent health centers that are part of the network described in this subsection and that are located and operating in those districts. A payment from funding allocated under this subsection must not be paid to an entity that is not part of the network described in this subsection.

(6) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$62,800,000.00~~ **\$87,245,000.00** to be distributed to intermediate districts for the provision of mental health and support services to general education students. **Recipients of funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services.** If a district or intermediate district is not able to procure the services of a licensed master's level behavioral health provider, the district or intermediate district shall notify the

department and the department of health and human services and, if the department and department of health and human services verify that the district or intermediate district attempted to procure services from a master's level behavioral health provider and was not able to do so, then the district or intermediate district may instead procure services from a provider with less than a master's degree in behavioral health. To be able to use the exemption in the immediately preceding sentence, the district or intermediate district must submit evidence satisfactory to the department and department of health and human services demonstrating that the district or intermediate district took measures to procure the services of a licensed master's level behavioral health provider but was unable to do so, and the department and department of health and human services must be able to verify this evidence. From the first ~~\$53,496,800.00~~ **\$56,173,600.00** of the funds allocated under this subsection, the department shall distribute ~~\$955,300.00 up to~~ **\$1,003,100.00** for ~~2022-2023-2023-2024~~ **2022-2023-2024** to each intermediate district that submits a plan approved by the department and the department of health and human services **by February 1 of each fiscal year for which funds are allocated under this section.** The department shall distribute the remaining ~~\$9,303,200.00~~ **\$31,071,400.00** of the funds allocated under this subsection for ~~2022-2023-2023-2024~~ **2022-2023-2024** to intermediate districts on an equal per-pupil basis based on the combined total number of pupils in membership in the intermediate district and its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705. The department and department of health and human services shall work cooperatively in providing oversight and assistance to intermediate districts ~~during the plan submission process and shall monitor the program upon implementation.~~ An intermediate district shall use funds awarded under this subsection to provide funding to its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705, for the provision of mental health and support services to general education students. In addition to the criteria identified under subsection (7), ~~(9),~~ **(9),** an intermediate district shall consider geography, cost, or other challenges when awarding funding to its constituent districts. Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling.

(7) If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, ~~the intermediate district shall notify the department and department of health and human services and submit evidence satisfactory to the department and department of health and human services demonstrating how it would like to use funds for purposes other than hiring licensed behavioral health providers for general education pupils. With permission from the department and department of health and human services,~~ the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; the intermediate district may also contract with 1 or more other intermediate districts for coordination and the facilitation of activities related to providing mental health and support services to general education students residing within the boundaries of the intermediate district; ~~and the intermediate district is encouraged to provide suicide prevention and awareness education and counseling.~~ **the intermediate district may also use the funds under this section to create or strengthen school-based behavioral health assessment teams that focus on providing age-appropriate interventions, identifying behaviors that suggest a pupil may be struggling with mental health challenges, providing treatment and support of the pupil, and using disciplinary interventions and the criminal justice system as methods of last resort; and the intermediate district may also use the funds under this section to provide evidence-based trainings that support student mental health.**

(8) If funding awarded to an intermediate district under this section remains unspent, or if the intermediate district submits an application requesting a lower allocation than the maximum amount permitted, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before the funding deadline in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.

(9) ~~(7)-~~A district requesting funds under this section from the intermediate district in which it is located shall submit an application for funding for the provision of mental health and support services to general education pupils. A district receiving funding from the application process described in this subsection shall provide services to nonpublic students upon request. An intermediate district shall not discriminate against an application submitted by a public school academy simply on the basis of the applicant being a public school academy. The department shall approve grant applications based on the following criteria:

(a) The district's commitment to maintain mental health and support services delivered by licensed providers into future fiscal years.

(b) The district's commitment to work with its intermediate district to use funding it receives under this section that is spent by the district for general education pupils toward participation in federal Medicaid match methodologies. A district must provide a local match of at least 20% of the funding allocated to the district under section 31n.

(c) The district's commitment to adhere to any local funding requirements determined by the department and the department of health and human services.

(d) The extent of the district's existing partnerships with community health care providers or the ability of the district to establish such partnerships.

(e) The district's documentation of need, including gaps in current mental health and support services for the general education population.

(f) The district's submission of a formal plan of action identifying the number of schools and students to be served.

(g) Whether the district will participate in ongoing trainings.

(h) Whether the district will submit an annual report to the state.

(i) Whether the district demonstrates a willingness to work with the state to establish program and service delivery benchmarks.

(j) Whether the district has developed a school safety plan or is in the process of developing a school safety plan.

(k) Any other requirements determined by the department or the department of health and human services.

(10) (8)-Funding under this section, including any federal Medicaid funds that are generated, must not be used to supplant existing services.

(11) (9)-Both of the following are allocated to the department of health and human services from the general fund money allocated under subsection (1):

(a) For ~~2022-2023, 2023-2024~~, an amount not to exceed \$1,000,000.00 for the purpose of upgrading technology and systems infrastructure and other administrative requirements to support the programs funded under this section.

(b) For ~~2022-2023, 2023-2024~~, an amount not to exceed \$300,000.00 for the purpose of administering the programs under this section and working on generating additional Medicaid funds as a result of programs funded under this section.

(12) (10)-From the state school aid fund money allocated under subsection (1), there is allocated for ~~2022-2023 2023-2024~~ an amount not to exceed ~~\$500,000.00~~ **\$5,000,000.00** to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section.

Recipients of the funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services and participate in all learning collaboratives about C4S required by the department and department of health and human services.

(13) (11)-The department and the department of health and human services shall work with the advisory council to develop proposed measurements of outcomes and performance. Those measurements must include, at a minimum, the number of pupils served, the number of schools served, and where those pupils and schools were located. The department and the department of health and human services shall compile data necessary to measure outcomes and performance, and districts and intermediate districts receiving funding under this section shall provide data requested by the department and department of health and human services for the measurement of outcomes and performance. The department and department of health and human services shall provide an annual report not later than December 1 of each year to the house and senate appropriations subcommittees on school aid and health and human services, to the house and senate fiscal agencies, and to the state budget director. At a minimum, the report must include measurements of outcomes and performance, proposals to increase efficacy and usefulness, proposals to increase performance, and proposals to expand coverage.

(14) (12)-A district or intermediate district that receives funding directly or indirectly under this section may carry over any unexpended funds received under this section for up to 2 fiscal years beyond the fiscal year in which the funds were received.

Sec. 31p. (1) From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$50,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for grants to intermediate districts to implement a TRAILS program as described in subsection (2).

~~(2) Intermediate districts receiving funding under this section must use the funding to implement a TRAILS program within the boundaries of the intermediate district.~~ The TRAILS program described in this subsection must improve youth access to evidence-based mental health services by training school mental health professionals in effective practices, such as cognitive behavioral therapy and mindfulness.

(3) The department shall establish a grant process to distribute funds under this section.

(4) The department shall award, in an equal amount, grants under this section to each intermediate district that has an approved grant application for funding under this section. ~~Intermediate districts must use funds received under this section for a direct partnership with the TRAILS program described in subsection (2).~~ **forward to the TRAILS program described in subsection (2) an amount equal to the amount awarded to the intermediate district under this subsection to contract with the TRAILS program. The TRAILS program must use funding received from intermediate districts to satisfy the terms of the contracts with the intermediate districts on a statewide basis.**

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for the TRAILS program. The estimated completion date of the work project is December 31, 2026.

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 31r. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2023-2024 only for Novi Community School District to support a school wellness center that offers all of the following:

(a) On-site mental health support for students outside of the school day.

(b) A resource hub for families to gain access to community support partners.

(c) An on-site medical clinic supported by Ascension Providence that includes general care, flu shot and vaccination support, and basic medical care for students, including those without health care coverage.

(d) An on-site tutoring area for students who cannot afford private tutoring to get access to academic tutors after school hours.

(e) A staff wellness wing that includes a place for teachers and staff to exercise, includes a place to de-stress with a staff zen zone, and includes private staff shower and restroom facilities.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31aa. (1) From the state school aid fund money appropriated in section 11, there is allocated ~~\$150,000,000.00~~ **\$310,000,000.00 for 2022-2023 ~~2023-2024~~ only and from the general fund money appropriated in section 11, there is allocated **\$18,000,000.00** for 2023-2024 only to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind, for activities to improve student mental health and improve student safety. It is the intent of the legislature that recipients will use at least 50% of the funds on activities related to improving student mental health. The allowable expenditures of funds under this section include, but are not limited to, the following:**

(a) Hiring or contracting for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, counselors, and school nurses.

(b) Purchasing and implementing mental health screening tools.

(c) Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.

(d) Any other mental health service or product necessary to improve or maintain the mental health of students and staff.

(2) From the allocation under subsection (1), the department shall make payments to districts in an equal amount per pupil based on the total number of pupils in membership in each district.

(e) Coordination with local law enforcement.

(f) Training for school staff on threat assessment.

(g) Training for school staff and students on threat response.

(h) Training for school staff on crisis communication.

(i) Safety infrastructure, including, but not limited to, cameras, door blocks, hardened vestibules, window screening, and technology necessary to operate buzzer systems. This may also include firearm detection software that integrates to existing security cameras to detect and alert school personnel and first responders to visible firearms on school property. The software described in the immediately preceding sentence must be organically developed and proprietary to the company it is purchased from and should not include any third-party or open-source data.

(j) Age-appropriate training for students and families on responsible gun ownership.

(k) School resource officers.

(l) Any other school safety service or product necessary to improve or maintain security in buildings.

(m) Student Safety Management System, the information technology platform and related services to improve student safety by mitigating cyberbullying, school violence, human trafficking, and self-harm that supports students from grades K to 12.

(n) A secure platform, administered by the department of state police, for school officials, emergency responders, and emergency management coordinators to house all school safety-related items, including, but not limited to, EOP templates, EOP guidance, reference documents, and security assessments. The platform should use existing password-protected access control methods schools currently utilize and, to the extent possible, be capable of integrating with existing platforms or technologies used by districts for school safety. Through permissions-based access control, the platform should be able to relay information clearly and in real time to each person or entity necessary to provide a unified response to a safety incident, or to take appropriate action in response to an anticipated disruption to the normal functions of the surrounding community.

(2) From the state school aid fund money allocated in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district. From the general fund money allocated in subsection (1), the department shall make payments to nonpublic schools in an equal amount per pupil, using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts.

(3) If funding remains after the distribution of funds as described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining dollars, using for those calculations the same requirements described in subsection (2).

(4) Except as otherwise provided in this section, to receive funding under this section, districts, intermediate districts, and nonpublic schools must apply for funding under this section in a form and manner prescribed by the department. In its application described in this subsection, a district, ~~or~~ intermediate district, ~~or nonpublic school~~, as applicable, shall document how it or, if an intermediate district is applying on behalf of a constituent district, its constituent district, will use community input to guide the expenditure of the funds it or the constituent district will receive under this section and it shall pledge to host, or shall pledge on behalf of its constituent district that the constituent district will host, at least 1 community conversation about student mental health and school safety. With consent of its constituent districts, an intermediate district may apply for funding under this section on behalf of its constituent districts. As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(5) Districts receiving funds under this section must coordinate with intermediate school districts to avoid duplication of services and to streamline delivery of ~~mental health~~ services to students.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31ff. (1) From the state school aid fund money appropriated in section 11, there is allocated \$14,500,000.00 for 2023-2024 only, and, from the general fund money appropriated in section 11, there is allocated \$500,000.00 for 2023-2024 only, for the implementation of requirements under 2022 PA 180, MCL 388.1851 to 399.1957. The money from the state school aid fund allocated under this section must be distributed to either districts, intermediate districts, or institutions of higher education for the purposes of this section.

(2) From the general fund money allocated under subsection (1), the department may use not more than \$500,000.00 to hire up to 1.0 FTE to help administer the allocation of funds allocated under this section.

(3) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue the coverage of cost associated with the implementation of 2022 PA 180, MCL 388.1851 to 399.1957. The estimated completion date of the work project is September 30, 2027.

Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed \$369,120,000.00 for 2022-2023 and an amount not to exceed \$524,720,000.00 for 2023-2024. In addition, from the federal funding appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$83,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to eligible intermediate districts and consortia of intermediate districts for great start readiness programs. An intermediate district or consortium shall use funds allocated under this section for great start readiness

programs to provide part-day, school-day, **GSRP extended programs**, or GSRP/Head Start blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of age not later than December 1, is eligible to participate if the child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, if the program has capacity on or after September 1 of the school year, and if the child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed \$367,120,000.00 **for 2022-2023 and \$522,720,000.00 for 2023-2024**, and from the federal funds allocated under subsection (1), an amount not to exceed \$83,000,000.00 **for 2022-2023**, is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. ~~The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to improve access to preschool programming for economically disadvantaged children. The estimated completion date of the work project described in the immediately preceding sentence is September 30, 2024.~~ **If, due to the number of GSRP extended program slots awarded, the amount allocated in this subsection is not sufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year.**

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$350,000.00~~ **\$500,000.00 for 2022-2023 and \$600,000.00 for 2023-2024** for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs.

(4) To be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day, school-day, **GSRP extended programs**, or GSRP/Head Start blended programs that contain all of the following program components, as determined by the department:

(a) Participation in a collaborative recruitment and enrollment process to assure that each child is enrolled in the program most appropriate to ~~his or her~~ **the child's** needs and to maximize the use of federal, state, and local funds.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board, including, at least, the Connect4Learning curriculum.

(c) Nutritional services for all program participants supported by federal, state, and local resources as applicable.

(d) Physical and dental health and developmental screening services for all program participants.

(e) Referral services for families of program participants to community social service agencies, including mental health services, as appropriate.

(f) Active and continuous involvement of the parents or guardians of the program participants.

(g) A plan to conduct and report annual great start readiness program evaluations and continuous improvement plans using criteria approved by the department.

(h) Participation in a school readiness advisory committee convened as a workgroup of the great start collaborative that provides for the involvement of classroom teachers, parents or guardians of program participants, and community, volunteer, and social service agencies and organizations, as appropriate. The advisory committee annually shall review and make recommendations regarding the program components listed in this subsection. The advisory committee also shall make recommendations to the great start collaborative regarding other community services designed to improve all children's school readiness.

(i) The ongoing articulation of the kindergarten and first grade programs offered by the program provider.
 (j) Participation in this state's great start to quality process with a rating of at least, **3 stars, and, for 2023-2024, enhancing quality level.**

(5) An application for funding under this section must provide for the following, in a form and manner determined by the department:

(a) Ensure compliance with all program components described in subsection (4).

(b) Except as otherwise provided in this subdivision, ensure that at least 85% of the children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than, **for 2022-2023, 250%, and, for 2023-2024, 300%** of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than, **for 2022-2023, 250%, and, for 2023-2024, 300%** of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is equal to or less than, **for 2022-2023, 300%, and, for 2023-2024, 400%** of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than, **for 2022-2023, 250%, and, for 2023-2024, 300%** of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(c) Ensure that the applicant only uses qualified personnel for this program, as follows:

(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, **except as otherwise provided in this subparagraph**, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start readiness program, **Head Start, or licensed child care center** classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. **Beginning in 2023-2024, individuals may qualify with at least 3 years of experience and significant training in early childhood education or child development, based on the recommendation of the intermediate district after a classroom observation.** A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child development **or, beginning in 2023-2024, enrolls in a child development associate credential with at least 6 months of verified experience in early education and care**, if the applicant provides to the department, and the department approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses, ~~or 60 clock hours,~~ **or an equivalent** of training per calendar year.

(d) Include a program budget that contains only those costs that are not reimbursed or reimbursable by federal funding, that are clearly and directly attributable to the great start readiness program, and that would not be incurred if the program were not being offered. Eligible costs include transportation costs. The program budget must indicate the extent to which these funds will supplement other federal, state, local, or private funds. An applicant shall not use funds received under this section to supplant any federal funds received by the applicant to serve children eligible for a federally funded preschool program that has the capacity to serve those children.

(6) For a grant recipient that enrolls pupils in a school-day program **or GSRP extended program** funded under this section, each child enrolled in the school-day program **or GSRP extended program** is counted as described in section 39 for purposes of determining the amount of the grant award.

(7) For a grant recipient that enrolls pupils in a GSRP/Head Start blended program, the grant recipient shall ensure that all Head Start and GSRP policies and regulations are applied to the blended slots, with

adherence to the highest standard from either program, to the extent allowable under federal law. **A grant recipient may request a waiver from the department to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department may approve the waiver. Not later than March 1 of each year, the department will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.**

(8) An intermediate district or consortium of intermediate districts receiving a grant under this section shall designate an early childhood coordinator, and may provide services directly or may contract with 1 or more districts or public or private for-profit or nonprofit providers that meet all requirements of subsections (4) and (5).

(9) An intermediate district or consortium of intermediate districts may retain for administrative services provided by the intermediate district or consortium of intermediate districts an amount not to exceed 4% of the grant amount. Expenses incurred by subrecipients engaged by the intermediate district or consortium of intermediate districts for directly running portions of the program are considered program costs or a contracted program fee for service. Subrecipients operating with a federally approved indirect rate for other early childhood programs may include indirect costs, not to exceed the federal 10% de minimis.

(10) An intermediate district or consortium of intermediate districts may expend not more than 2% of the total grant amount for outreach, recruiting, and public awareness of the program, **if the intermediate district or consortium of intermediate districts also participates in related statewide marketing and outreach efforts.**

(11) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household income is below, **for 2022-2023, 250%, and, for 2023-2024, 250%-300%** of the federal poverty guidelines by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below, **for 2022-2023, 250%, and, for 2023-2024, 250%-300%** of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than, **250% for 2022-2023, 250%, and, for 2023-2024, 300%** of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is equal to or less than, **300% for 2022-2023, 300%, and, for 2023-2024, 400%** of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than, **for 2022-2023, 250%, and, for 2023-2024, 250%-300%** of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(12) An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the department.

(13) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a blended Head Start, **GSRP extended program**, and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation. The intermediate district or consortium shall report to the department, in a manner prescribed by the department, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the grant recipient shall notify the department and, if the department verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, then the intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department that the intermediate district or consortium increased the

percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department, and the department must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this subsection, including, but not limited to, at least all of the following measures:

(a) The intermediate district or consortium notified each nonparticipating licensed child care center located in the service area of the intermediate district or consortium regarding the center's eligibility to participate, in a manner prescribed by the department.

(b) The intermediate district or consortium provided to each nonparticipating licensed child care center located in the service area of the intermediate district or consortium information regarding great start readiness program requirements and a description of the application and selection process for community-based providers.

(c) The intermediate district or consortium provided to the public and to participating families a list of community-based great start readiness program subrecipients with a great start to quality rating of at least, **3 stars for 2022-2023, 3 stars, and, for 2023-2024, enhancing quality level.**

(14) If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at least 30% of its total allocation, as required under subsection (13), the department shall reduce the allocation to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total allocation awarded to community-based providers and 30% of its total allocation.

(15) In order to assist intermediate districts and consortia in complying with the requirement to contract with community-based providers for at least 30% of their total allocation, the department shall do all of the following:

(a) Ensure that a great start resource center or the department provides each intermediate district or consortium receiving a grant under this section with the contact information for each licensed child care center located in the service area of the intermediate district or consortium by March 1 of each year.

(b) Provide, or ensure that an organization with which the department contracts provides, a community-based provider with a validated great start to quality rating within 90 days of the provider's having submitted a request and self-assessment.

(c) Ensure that all intermediate district, district, community college or university, Head Start grantee or delegate, private for-profit, and private nonprofit providers are subject to a single great start to quality rating system. The rating system must ensure that regulators process all prospective providers at the same pace on a first-come, first-served basis and must not allow 1 type of provider to receive a great start to quality rating ahead of any other type of provider.

(d) Not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (13) and report to the legislature **and post on a publicly available website** a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

(e) Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

(16) A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the information necessary to derive the number of children participating in the program who meet the program eligibility criteria under subsection (5)(b), the number of eligible children not participating in the program and on a waitlist, and the total number of children participating in the program by various demographic groups and eligibility factors necessary to analyze equitable and priority access to services for the purposes of subsection (3).

(17) As used in this section:

(a) "GSRP/Head Start blended program" means a part-day program funded under this section and a Head Start program, which are combined for a school-day program.

(b) "GSRP extended program" means a program that operates for at least the same length of day as a district's first grade program for a minimum of 5 days per week, 36 weeks per year.

(c) ~~(b)~~ "Federal poverty guidelines" means the guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.

(d) ~~(c)~~–“Part-day program” means a program that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer hours of teacher-child contact time per day than a school-day program.

(e) ~~(d)~~–“School-day program” means a program that operates for at least the same length of day as a district’s first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a school-day program must enroll all children for the school day to be considered a school-day program.

(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish and charge tuition according to a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than, ~~250%~~ **for 2022-2023, 250%, and, for 2023-2024, 300%** of the federal poverty guidelines to be used by all of its providers, as approved by the department.

(19) From the amount allocated in subsection (2), there is allocated for 2022-2023 **and 2023-2024** an amount not to exceed \$10,000,000.00 **and, from the great start readiness program reserve fund appropriated in section 11, there is allocated for 2023-2024 an amount not to exceed \$18,000,000.00** for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, not later than November 1 of each year, a program funded under this section that provides transportation shall submit to the intermediate district that is the fiscal agent for the program a projected transportation budget. The amount of the reimbursement for transportation under this subsection is no more than the projected transportation budget or, ~~\$300.00 for 2022-2023, \$300.00, and, for 2023-2024, \$500.00~~ multiplied by the number of children funded for the program under this section. If the amount allocated under this subsection is insufficient to fully reimburse the transportation costs for all programs that provide transportation and submit the required information, the department shall prorate the reimbursement in an equal amount per child funded. The department shall make payments to the intermediate district that is the fiscal agent for each program, and the intermediate district shall then reimburse the program provider for transportation costs as prescribed under this subsection.

(20) Subject to, and from the funds allocated under, subsection (19), the department shall reimburse a program for transportation costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. To be eligible for reimbursement under this subsection, a program must submit to the intermediate district or consortia of intermediate districts all of the following:

(a) The names of families provided with transportation support along with a documented reason for the need for transportation support and the type of transportation provided.

(b) Financial documentation of actual transportation costs incurred by the program, including, but not limited to, receipts and mileage reports, as determined by the department.

(c) Any other documentation or information determined necessary by the department.

(21) The department shall implement a process to review and approve age-appropriate comprehensive classroom level quality assessments for GSRP grantees that support the early childhood standards of quality for prekindergarten children adopted by the state board. The department shall make available to intermediate districts at least 2 classroom level quality assessments that were approved in 2018.

(22) An intermediate district that is a GSRP grantee may approve the use of a supplemental curriculum that aligns with and enhances the age-appropriate educational curriculum in the classroom. If the department objects to the use of a supplemental curriculum approved by an intermediate district, the superintendent shall establish a review committee independent of the department. The review committee shall meet within 60 days of the department registering its objection in writing and provide a final determination on the validity of the objection within 60 days of the review committee’s first meeting.

(23) The department shall implement a process to evaluate and approve age-appropriate educational curricula that are in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board.

(24) From the funds allocated under subsection (1), there is allocated for 2022-2023 an amount not to exceed \$2,000,000.00 **and there is allocated for 2023-2024 an amount not to exceed \$2,000,000.00** for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program.

(25) A great start readiness program or a GSRP/Head Start blended program funded under this section is permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based early literacy intervention strategies.

(26) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$35,000,000.00 for 2022-2023 only for classroom start up grants to intermediate districts and consortia of intermediate districts

for new or expanding great start readiness classrooms. All of the following apply to funding allocated under this subsection:

(a) To receive funding under this subsection, intermediate districts and consortia of intermediate districts must apply for the funding in a form and manner prescribed by the department.

(b) The department shall pay an amount not to exceed \$25,000.00 for each new or expanded classroom. If funding is not sufficient to fully fund all eligible applicants, the department must prorate the per-classroom amount on an equal basis. If the allocation is not fully paid in the current fiscal year, the department may award any remaining funding during fiscal year 2023-2024 for each new or expanded classroom at an equal amount per classroom, based on remaining available funds, not to exceed \$25,000.00 per classroom.

(c) Funds received under this subsection by intermediate districts and consortia of intermediate districts must be paid in full to the entity operating the classroom and may be used for any of the following purposes:

(i) Costs associated with attracting, recruiting, retaining, and licensing required classroom education personnel to staff new or expanded classrooms.

(ii) Supporting facility improvements or purchasing facility space necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom.

(iii) Outreach material necessary for public awareness that the great start readiness program has openings in the area and for costs associated with enrolling eligible children in new or expanded classrooms.

(iv) Supporting costs in each new or expanded classroom associated with improving a provider's great start to quality rating.

(d) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid fund and are carried forward into 2023-2024. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2024.

(27) In addition to the funds allocated in subsection (1), there is allocated from the state school aid fund money appropriated under section 11 for 2022-2023 only an amount not to exceed \$5,000,000.00 for a consortium of intermediate districts to partner with the department and community-based organizations to implement a multiyear statewide campaign to raise awareness about the availability of services through the great start readiness program and to develop systems to identify and reach out to eligible families. All of the following apply to funding under this subsection:

(a) Funding under this subsection must be used for the following purposes:

(i) Implementing a statewide outreach campaign to make families aware of the availability of the great start readiness program.

(ii) Organizing community events and outreach activities to inform parents about the availability of the great start readiness program, the positive impacts of early childhood education, and additional early childhood programs available to families.

(iii) Developing and implementing a statewide website that allows providers to advertise available great start readiness slots and allows families to connect with providers to fill open slots. The website must include information about additional early childhood programs for families, including, but not limited to, the child development and care program and Head Start.

(b) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to raise awareness of and participation in great start readiness programming. The estimated completion date of the work project is September 30, 2027.

(c) Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department.

Sec. 32e. (1) The great start readiness program reserve fund is created as a separate account in the state school aid fund for the purpose of supporting the great start readiness program.

(2) The state treasurer may receive money or other assets from any source for deposit into the great start readiness program reserve fund. The state treasurer shall direct the investment of the great start readiness program reserve fund. The state treasurer shall credit to the great start readiness program reserve fund interest and earnings from great start readiness program reserve fund investments.

(3) Money in the great start readiness program reserve fund at the close of the fiscal year remains in the great start readiness program reserve fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the great start readiness program reserve fund for auditing purposes.

(5) Money available in the great start readiness program reserve fund must not be expended without a specific appropriation.

(6) For the fiscal year ending September 30, 2023 only, \$200,000,000.00 from the state school aid fund is deposited into the great start readiness program reserve fund.

Sec. 32n. (1) ~~From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$25,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for the purposes of this section. From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$50,000,000.00 to Clinton County RESA, to collaborate with the department, for the purposes of this section.~~ The department shall develop a competitive grant program to distribute this funding to eligible entities, as described in subsection (2), as prescribed under this section.

(2) The department shall establish competitive grant criteria for the grant program described in subsection (1) for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. To be eligible for a grant under this section, the applicant must meet, at a minimum, all of the following criteria:

(a) Serve children in any of grades K to 12.

(b) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher education, a community or adult education program, a public library, a local government, or an intermediate district.

(c) Provide before-school, after-school, before-and-after-school, or summer school programming to children described in subdivision (a). These programs must be used to support expanded learning opportunities, including, but not limited to, mentoring, leadership, community engagement, agriculture, art, music, literacy, science, technology, engineering, mathematics, health, and recreation programming.

(d) Address measurable goals, including, but not limited to, improved school attendance, academic outcomes, positive behaviors, and skill acquisition, and include activities linked to research or quality practices.

(3) ~~The process must be posted publicly at least 30 days prior to the grant application period.~~ The department shall establish a competitive grant process for awarding funding under this section. The department shall develop the form and manner for applying for the grants. The application must include a request for information on the applicant's outreach to children, youth, and families who are eligible for free or reduced-price meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The application must be open for not less than 30 calendar days. At least 30 days before the application is opened, the department must publish on its public website the criteria that will be used in evaluating the application that must include, but are not limited to, priorities under subsection (5).

(4) Subject to subsection (8), in determining award amounts under this subsection, the department shall, to the extent practicable, ensure that eligible entities in all geographic regions of this state are represented in the distribution of grant funding under this section.

(5) Subject to subsection (8), the department shall prioritize the distribution of grant funding under this section based on, at a minimum, the following:

(a) An applicant's demonstrated need.

(b) The percentage of low-income families in the geographic area being served. Prioritization must be determined by the average percentage of pupils in the district who are eligible for free and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide before-and-after-school or summer school programs.

(c) Whether the application provides services for the full school year.

(d) The applicant's track record for providing quality, affordable before-and-after-school or summer school services.

(e) Whether an applicant serving children in any of grades K through 8 is licensed or is in the process of becoming licensed or has implemented the ~~Michigan State Board of Education~~ Michigan Out-of-School Time Standards of Quality **issued by the state board of education**. This does not preclude a nonlicensed entity from applying for funding under this section and being funded under this section.

(6) Subject to subsection (7), an eligible entity that receives grant funding under this section shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under this subsection must meet all of the following:

(a) Be provided to children in a manner in which the children are physically present at a building or location designated by the eligible entity.

(b) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(c) Provide data to evaluate the program in a form and manner as prescribed by the department.

(7) Subject to subsections (2), (4), and (5), up to 2% of funding allocated under this section must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time learning opportunities.

(8) The department shall award no less than 60% of the funding under this section to community-based organizations.

(9) Notwithstanding section 17b, the department shall make payments under this section in full upon grant award. Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department.

~~(10) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts. The department, in collaboration with the Michigan Afterschool Partnership, shall convene an advisory committee to review the program components listed within this section and make recommendations to the department for changes on the program described in this section. The advisory committee shall meet at a schedule set by the department, or at least quarterly. The advisory committee shall provide for the involvement of, but not limited to, community-based organizations, regional intermediaries, district administrators, youth, parents, and representatives from the business and philanthropic communities, as appropriate.~~

Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$13,400,000.00~~ **\$19,400,000.00** to intermediate districts for ~~2022-2023~~ **2023-2024** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under ~~subsection~~ **subsections** (2) and ~~subsection~~ (4), and to provide supports for early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district must provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a ~~parent-family~~ **parent-family** coalition that includes an active partnership with at least 1 community-based organization. The goal of each great start collaborative and ~~parent-family~~ **parent-family** coalition is to ensure the coordination and expansion of local early childhood systems and programs that allow every child in the community to achieve the following outcomes:

(a) Children born healthy.

(b) Children healthy, thriving, and developmentally on track from birth to grade 3.

(c) Children developmentally ready to succeed in school at the time of school entry.

(d) Children prepared to succeed in fourth grade and beyond by reading proficiently by the end of third grade.

(3) Each local great start collaborative and ~~parent-family~~ **parent-family** coalition shall convene workgroups to make recommendations about community services designed to achieve the outcomes described in subsection (2) and to ensure that its local great start system includes the following supports for children from birth through age 8:

(a) Physical ~~and social-emotional~~ **and social-emotional** health.

~~(b) Social-emotional health.~~

~~(b)~~ ~~(c)~~ Family supports, including, but not limited to, the provision of basic needs and economic self-sufficiency.

~~(c)~~ ~~(d)~~ Parent leadership and family engagement.

~~(d)~~ ~~(e)~~ Early education, including the child's development of skills linked to success in foundational literacy, and care.

~~(e)~~ **Community infrastructure.**

(4) From the funds allocated in subsection (1), at least ~~\$2,500,000.00~~ **\$3,500,000.00** must be used for the purpose of providing home visits to at-risk children and their families. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community resources and referrals. The department shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and

maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.

(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the strategies actually implemented during the immediately preceding school year and the families and children actually served. At a minimum, the report must include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) **In addition to the funds allocated in subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for 2023-2024 only for the purpose of improving access to books and other literacy materials for children from birth to age 5. The formula described in subsection (1) must be used to allocate funds to intermediate districts under this subsection. An intermediate district may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children from birth to age 5. If funding under this subsection is not sufficient to enroll all interested families in the service, each intermediate district must prioritize enrollment to those families with the highest levels of economic need. If an intermediate district will not fully utilize funding under this subsection, those funds must be returned to the department for redistribution for the purposes under this subsection.**

(7) ~~(6)~~—An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) **in the current** fiscal year ~~2022-2023~~ shall not carry over into the next fiscal year any amount exceeding 15% of the amount awarded to the intermediate district or consortium in the ~~2022-2023~~ **current** fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 32t. **(1)** From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ only an amount not to exceed ~~\$2,200,000.00~~ **\$18,000,000.00** to Clinton County RESA (CCRESA) for the ~~Strong Beginnings Program~~ **a 3-year-old preschool pilot program** to provide services to children who ~~do not meet the age eligibility criteria for the great start readiness program, but meet all other eligibility criteria for the great start readiness program.~~ **do not meet the age eligibility criteria for the great start readiness program.** These services must be designed for children who are age 3 and must be similar to the services provided through the great start readiness program. The program described in this section must be administered by CCRESA Strong Beginnings Implementation Team under the direction of the department, office of great start, with assessment, data, and collection analysis for the program being provided by Michigan State University.

(2) The department must pay the funding under this section to Clinton County RESA in installments over 3 years. The department shall determine the amount to be used in each year.

(3) This section is intended to provide funding to serve at least 1,000 children over the next 3 school years, evaluate outcomes, and create a scalable 3-year-old preschool model. Clinton County RESA shall maintain funding at no less than the amount received in 2022-2023 under this section for current participants. At the end of the pilot, Clinton County RESA shall provide a report to the department detailing all of the following:

- (a) How the pilot was conducted.**
- (b) Demographics of the children served.**
- (c) Outcomes achieved.**
- (d) Challenges the pilot faced and how the implementation team responded.**
- (e) A model this state could use to scale the program statewide, if funding were available.**

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to pilot a 3-year-old preschool program as provided under this section. The estimated completion date of the work project is September 30, 2027.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 32v. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$30,000,000.00 to implement an early childhood workforce project.

(2) The department must award funding under this section to an intermediate district or a consortium of intermediate districts to serve as a fiscal agent. The recipient intermediate district or consortium of intermediate districts at the direction of the department and in collaboration with the department of licensing and regulatory affairs child care licensing bureau, and organizations with experience recruiting and training early childhood professionals, must do all of the following:

(a) Assess early childhood workforce needs, with a priority placed on professionals in child care, Head Start, and the great start readiness program settings, and support improvements in how data on the early learning and care workforce is collected, stored, and used for professional advancement.

(b) Update and promote clear career pathways for early learning and care roles, including current compensation levels.

(c) Ensure professional development, certificates, and degrees align to the career pathway and quality rating and improvement system.

(d) Develop and pilot alternative education and training programs, including, but not limited to, competency-based credentials and micro credentials for early learning and care professionals.

(e) Pilot projects that support the recruitment and retention of early learning and care professionals with a priority placed on professionals in child care and the great start readiness program settings. At least 1 pilot project must test strategies to sustainably increase wages and benefits to align with professionals with similar levels of educational requirements, specialization requirements, and job responsibilities.

(3) Funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to launch an early childhood workforce project to recruit, train, and retain professionals in all early learning settings, with a priority on child care and preschool settings. The estimated completion date of the work project is September 30, 2027.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 32w. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$6,000,000.00 to a district or intermediate district for the purposes of supporting GOAL Line Detroit. To receive funding under this section, the district or intermediate district must apply for funding in a form and manner determined by the department and must forward all funding received under this section to GOAL Line Detroit for the purposes described in this section.

(2) GOAL Line Detroit must use funds received under this section to expand capacity to provide eligible children with access to high-quality, engaging after-school enrichment leading to increased skill acquisition, positive behaviors, and improved academic outcomes and school attendance.

(3) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2026. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2026.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 32x. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only \$4,000,000.00 to be paid to Wayne State University Law School's Levin Center for Oversight and Democracy for statewide implementation of the Learning by Hearings civic education program. The Learning by Hearings program is a civics education curriculum and after-school program that does all of the following:

(a) Immerses students in United States history and government as they analyze facts and roleplay a legislative oversight hearing.

(b) Teaches critical thinking, primary source research, writing, and public speaking.

(c) Exposes students to diverse viewpoints and opportunities to practice civic discourse.

(d) Reaches students in class and after school to maximize impact.

(2) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2027.

(3) Notwithstanding section 17b, the department shall make payments under this section not later than November 1, 2023.

Sec. 33. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$11,000,000.00 for 2023-2024 only for grants to eligible districts for the purposes described in this section.

(2) To receive a grant under this section, a district must apply for the grant in a form and manner prescribed by the department.

(3) A district that meets both of the following is an eligible district under this section:

(a) The district must enroll students in grades K to 5, and must not currently have a music education program for grades K to 5.

(b) The district must, in its application described in subsection (2), pledge to do all of the following:

(i) Provide for all pupils in grades K to 5 at least 90 minutes per week of instruction in music, taught by a certificated teacher with a JX or JQ endorsement issued by the department.

(ii) Maintain staffing that includes at least 1 certificated teacher with a JX or JQ endorsement issued by the department for every 400 pupils enrolled in grades K to 5.

(iii) Adopt and implement specific curricula for music.

(iv) Maintain in each elementary school at least 1 space that is designated for music instruction and that allows for effective implementation of the music curriculum, with consideration given to the physical materials and tools needed for music instruction.

(v) Establish and maintain a separate dedicated budget for music instruction in grades K to 5.

(4) Grants awarded under this section must be awarded for the coverage of costs for 1 year of additional costs, including 1-time costs, for the district to implement a music program.

(5) All grants under this section must be awarded by not later than February 1, 2024.

(6) If the total funding allocated under this section is not sufficient to fully fund payments to all eligible districts under this section, the department shall prorate payments to all eligible districts on an equal percentage basis.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2022-2023-2023-2024~~ for the purposes of this section an amount not to exceed ~~\$67,400,000.00~~ **\$77,900,000.00** from the state school aid fund and there is allocated for ~~2022-2023-2023-2024~~ for the purposes of subsection (8) an amount not to exceed \$5,000,000.00 from the general fund. Excluding staff or contracted employees funded under subsection (8), the superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP). By December 31 of each fiscal year in which funding is allocated under this section, the superintendent of public instruction shall do both of the following:

(a) Report in person to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection and be available for questioning as prescribed through a process developed by the chairs of the house and senate appropriations subcommittees on school aid.

(b) Submit a written report to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection.

(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to 3. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.

(3) A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 3 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).

(b) Phonics - decoding (reading) and encoding (spelling).

(c) Fluency.

(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed ~~\$31,500,000.00~~ **\$42,000,000.00** for ~~2022-2023~~ **2023-2024** for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

(a) The department shall develop an application process consistent with the provisions of this subsection. An application must provide assurances that literacy coaches funded under this subsection are knowledgeable about at least the following:

(i) Current state literacy standards for pupils in grades pre-K to 3.

(ii) Implementing an instructional delivery model based on frequent use of formative, screening, and diagnostic tools, known as a multi-tiered system of supports, to determine individual progress for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3.

(iii) The use of data from diagnostic tools to determine the necessary additional supports and interventions needed by individual pupils in grades pre-K to 3 in order to be reading at grade level.

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of ~~4-2~~ early literacy ~~coach~~ **coaches** in an equal amount per early literacy coach, not to exceed ~~\$112,500.00~~ **\$125,000.00**.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed ~~\$112,500.00~~ **\$125,000.00** per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.

(c) If an intermediate district that receives funding under this subsection uses an assessment tool that screens for characteristics of dyslexia, the intermediate district shall use the assessment results from that assessment tool to identify pupils who demonstrate characteristics of dyslexia.

(d) All literacy coaches funded under this subsection must have already received, or be making progress toward receiving, professional learning by the approved provider described in subsection (11).

(5) From the allocation under subsection (1), there is allocated an amount not to exceed \$19,900,000.00 for ~~2022-2023~~ **2023-2024** to districts that provide additional instructional time to those pupils in grades pre-K to ~~3-5~~ who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

(a) In order to be eligible to receive funding, a district must demonstrate to the satisfaction of the department that the district has done all of the following:

(i) Implemented a multi-tiered system of supports instructional delivery model that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must provide at least all of the following essential components:

(A) Team-based leadership.

(B) A tiered delivery system.

(C) Selection and implementation of instruction, interventions, and supports.

(D) A comprehensive screening and assessment system.

(E) Continuous data-based decision making.

(ii) Used department-approved research-based diagnostic tools to identify individual pupils in need of additional instructional time.

(iii) Used a reading instruction method that focuses on the 5 fundamental building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge.

(iv) Provided teachers of pupils in grades pre-K to ~~3-5~~ with research-based professional development in diagnostic data interpretation.

(v) Complied with the requirements under section 1280f of the revised school code, MCL 380.1280f.

(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.

(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.

(6) Not later than September 1 of each year, a district that receives funding under subsection (5) in conjunction with the Michigan student data system, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:

(a) For pupils in grades pre-K to 3, the teachers, pupils, schools, and grades served with funds under this section and the categories of services provided.

(b) For pupils in grades pre-K to 3, pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:

- (i) School.
- (ii) Grade level.
- (iii) Gender.
- (iv) Race.
- (v) Ethnicity.
- (vi) Economically disadvantaged status.
- (vii) Disability.
- (viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is allocated an amount not to exceed \$6,000,000.00 for 2022-2023–2023-2024 to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

- (i) Literacy essentials teacher and principal training modules.
- (ii) Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.

(iii) The placement of regional lead literacy coaches to facilitate professional learning for early literacy coaches. These regional lead literacy coaches shall provide support for new literacy coaches, building teachers, and administrators and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.

(iv) Provide \$500,000.00 from this subsection for literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. The training described in this subparagraph must use the pre-K and K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.

(v) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.

(b) Not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.

(8) From the general fund money allocated in subsection (1), the department shall allocate the amount of \$5,000,000.00 for 2022-2023–2023-2024 only to the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the following apply to funding under this subsection:

(a) By September 1 of the current fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree to which the Michigan Education Corps' replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:

(i) The current impact of the programs on this state in terms of numbers of children and schools receiving support. This portion of the report must specify the number of children tutored, including dosage and completion, and the demographics of those children.

(ii) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and interventions completed and the range, mean, and standard deviation.

(iii) Whether the literacy or math improvement of children participating in the programs is consistent with expectations. This portion of the report must detail at least all of the following:

(A) Growth rate by grade or age level, in comparison to targeted growth rate.

(B) Average linear growth rates.

(C) Exit rates.

(D) Percentage of children who exit who also meet or exceed spring benchmarks.

(iv) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, internal coaches, and AmeriCorps members.

(b) If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.

(c) The department may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. The department shall award the entire ~~\$5,000,000.00~~ **amount** allocated under this subsection to the Michigan Education Corps and shall not condition the awarding of this funding on the implementation of an independent evaluation.

(9) If a district or intermediate district expends any funding received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall make the initial approved list public and shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(ii) Appropriate use of assessments and differentiated instruction.

(iii) Selection of appropriate instructional materials.

(iv) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.

(10) From the allocation under subsection (1), there is allocated an amount not to exceed \$10,000,000.00 for ~~2022-2023-2023-2024~~ only for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The department must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The department must maintain open enrollment until all funds are expended.

(11) For the provision of professional learning to the school personnel described in subsection (10), the department shall approve LETRS as the approved provider of professional learning, if LETRS continues to meet all of the following:

(a) Be offered through a system of training that provides educators with the knowledge base to effectively implement any class-wide, supplemental, or intervention reading approach and to determine why some students struggle with reading, writing, spelling, and language.

(b) Provide training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly-learned skills with students in the classroom.

(c) Include integrated components for educators and administrators in pre-K to grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subdivision must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.

(d) Build teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language; fluency; comprehension; spelling and writing; and the organization of language.

(e) Support educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:

(i) Team-based leadership.

(ii) A tiered delivery system.

(iii) Selection and implementation of instruction, interventions, and supports.

(iv) A comprehensive screening and assessment system.

(v) Continuous data-based decision making.

(12) Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.

(13) As used in this section:

(a) “Dyslexia” means both of the following:

(i) A specific learning disorder that is neurobiological in origin and characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities that typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and the provision of effective classroom instruction.

(ii) A specific learning disorder that may include secondary consequences, such as problems in reading comprehension and a reduced reading experience that can impede the growth of vocabulary and background knowledge and lead to social, emotional, and behavioral difficulties.

(b) “Evidence-based” means an activity, program, process, service, strategy, or intervention that demonstrates statistically significant effects on improving pupil outcomes or other relevant outcomes and that meets at least both of the following:

(i) At least 1 of the following:

(A) Is based on strong evidence from at least 1 well-designed and well-implemented experimental study.

(B) Is based on moderate evidence from at least 1 well-designed and well-implemented quasi-experimental study.

(C) Is based on promising evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias.

(D) Demonstrates a rationale based on high-quality research findings or positive evaluation that the activity, program, process, service, strategy, or intervention is likely to improve pupil outcomes or other relevant outcomes.

(ii) Includes ongoing efforts to examine the effects of the activity, program, process, service, strategy, or intervention.

(c) “Explicit” means direct and deliberate instruction through continuous pupil-teacher interaction that includes teacher modeling, guided practice, and independent practice.

(d) “Fluency” means the ability to read with speed, accuracy, and proper expression.

(e) “Multi-tiered system of supports” means a comprehensive framework that includes 3 distinct tiers of instructional support and is composed of a collection of evidence-based strategies designed to meet the individual needs and assets of a whole pupil at all achievement levels.

(f) “Phonemic awareness” means the conscious awareness of all of the following:

(i) Individual speech sounds, including, but not limited to, consonants and vowels, in spoken syllables.

(ii) The ability to consciously manipulate through, including, but not limited to, matching, blending, segmenting, deleting, or substituting, individual speech sounds described in subparagraph (i).

(iii) All levels of the speech sound system, including, but not limited to, word boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.

(g) “Phonological” means relating to the system of contrastive relationships among the speech sounds that constitute the fundamental components of a language.

(h) “Progress monitoring” means the assessing of students’ academic performance, quantifying students’ rates of improvement or progress toward goals, and determining how students are responding to instruction.

(i) “Rapid automatized naming (RAN)” means a task that measures how quickly individuals can name objects; pictures; colors; or symbols, including letters and digits, aloud, which can predict later reading abilities for preliterate children.

Sec. 35d. (1) From the ~~general-state school aid~~ fund money appropriated under section 11, for ~~2022-2023~~ **2023-2024** only, there is allocated an amount not to exceed \$1,000,000.00 for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia as provided under this section.

(2) A provider that provides programming that meets all of the following is considered to be a provider of an eligible teacher training program for purposes of this section:

(a) Allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.

(b) Trains educators to teach reading using a proven, multisensory approach.

(c) Educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) Breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.

(e) Uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.

(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible teacher training program from a provider of an eligible teacher training program, and, upon receiving an application but except as otherwise provided in this subsection, the department shall make payments to districts and intermediate districts for those purchases. The department shall make payments under this section on a first-come, first-served basis until funds are depleted.

Sec. 35f. From the ~~general-state school aid~~ fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ only an amount not to exceed ~~\$1,000,000.00~~ **\$1,250,000.00** ~~for the department to award~~ **to Macomb Intermediate School District, in partnership with** the Chaldean Community Foundation, ~~-The Chaldean Community Foundation shall use funds received under this section to support~~ and expand early childhood learning opportunities, improve early literacy achievement, increase high school graduation rates for new Americans, and assist with diploma acquisition, skills training, and postsecondary education.

Sec. 35i. (1) ~~From the state school aid fund money appropriated in section 11, there is allocated \$14,000,000.00 for 2023-2024 only to intermediate districts or consortia of intermediate districts to administer 10 MiFamily Engagement Centers across this state.~~

(2) ~~Each eligible intermediate district or consortia of intermediate districts must apply for funding in a form and manner determined by the department. The department must award funding under this section to intermediate districts or consortia of intermediate districts in a way that optimizes the implementation and administration of 10 MiFamily Engagement Centers across this state.~~

(3) ~~Funds awarded under subsection (1) must be used by MiFamily Engagement Centers for the following purposes:~~

(a) ~~Supporting compensation and required travel for coordinators and coaches of the MiFamily Engagement Centers.~~

(b) ~~Launching activities, including, but not limited to, training, coaching, technical assistance, resource development, and online learning modules.~~

(c) ~~Other activities determined by the department to be necessary for the success of the MiFamily Engagement Centers.~~

(4) ~~Notwithstanding section 18a, funds allocated under subsection (1) may be available for expenditure until September 30, 2027. A recipient of funding under subsection (1) must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2027.~~

(5) ~~In addition to the funds allocated in subsection (1), from the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$2,000,000.00 to implement a statewide campaign to share how parents can support early literacy for children from birth to grade 5.~~

(a) ~~Funding under this subsection must be awarded by the department, in a form and manner determined by the department, to the intermediate districts or consortia of intermediate districts described in subsection (2).~~

(b) ~~Each recipient intermediate district or consortia of intermediate districts receiving funding under this subsection must use those funds through the MiFamily Engagement Centers to expand~~

parental knowledge regarding literacy instruction practices; to raise awareness of and participation in local great start collaborative and family coalitions; to raise awareness of the availability of before, during, and after school literacy support programs, and to build on the existing practices of the regional literacy hubs and the MiFamily Engagement Centers.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 35j. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$140,000,000.00 for payments to districts and intermediate districts to improve literacy instructional practices by investing in quality, research-based best practices, and professional learning.

(2) Subject to subsection (4), to be eligible to receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. Intermediate districts may apply for funding under this section on behalf of their constituent districts.

(3) From the allocation under subsection (1), the department shall make payments to eligible districts and intermediate districts in an equal amount per pupil based on the number of pupils in the district or intermediate district in grades pre-K to 5. Districts and intermediate districts receiving funding under this section must use that funding for all of the following purposes:

(a) Providing professional learning for all pre-K to grade 5 teachers, administrators, and instructional coaches in literacy instruction best practices.

(b) Complementing existing efforts to improve literacy instruction.

(c) Developing and implementing a comprehensive literacy system.

(4) For a district or intermediate district to be eligible for funding under this section, the district or intermediate district must do all of the following:

(a) Use a valid screening tool, as determined by the department, to identify gaps in current literacy practices and complete a needs assessment.

(b) Submit a plan to the department targeting identified focus areas to address gaps in literacy practices.

(c) Ensure 100% of current pre-K to grade 5 teachers complete selected training.

(d) Report to the department and post on its website which pre-K to grade 5 literacy curriculum and benchmark assessment the district or intermediate districts utilized.

(5) Except as otherwise provided in this subsection and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department. The department must not pay more than 50% of the amount allocated in subsection (1) in 2023-2024 and must pay remaining eligible payments during 2024-2025.

(6) Funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to improve literacy instructional practices. The estimated completion date of the work project is September 30, 2025.

Sec. 35k. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$3,000,000.00 to a district or intermediate district for the purposes of supporting the Detroit Parent Network. An eligible district or intermediate district must apply for funding in a form and manner determined by the department and must forward all funding received under this section to the Detroit Parent Network for the purposes described in this section.

(2) The Detroit Parent Network must use funds received under this section to expand capacity to provide parental training programs, parental support groups, early literacy and family education programs, programs that support healthy families, and programs supporting civic engagement and community advocacy. The Detroit Parent Network must plan to provide programming to at least 5,000 families, parents, caregivers, and children in at least 10 counties in this state experiencing economic, educational, and social indicators that adversely impact the well-being of children and adults.

(3) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2026. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department not later than October 30, 2026.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 35l. (1) From the state school aid fund money appropriated in section 11, there is allocated \$1,250,000.00 for 2023-2024 only to Lake Shore Public Schools to support the construction of an early childhood community center.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department, by a date specified by the department in the immediately preceding fiscal year. An eligible applicant is not required to amend the applicant's current accounting cycle or adopt this state's fiscal year accounting cycle in accounting for financial transactions under this section. The application must include all of the following:

(a) The estimated total number of children in the community who meet the criteria of section 32d **and the total number of age-eligible children in the community**, as provided to the applicant by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department, by a date specified by the department, that details how the applicant complies with the program components established by the department under section 32d.

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by ~~\$9,150.00~~ **\$9,608.00**, ~~the number of children served in a GSRP extended program in the preceding school year multiplied by \$11,530.00~~, and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by ~~\$4,575.00~~ **\$4,804.00**.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by ~~\$9,150.00~~ **\$9,608.00**, ~~the number of children served in a GSRP extended program the applicant has the capacity to serve in the current school year multiplied by \$11,530.00~~, and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by ~~\$4,575.00~~ **\$4,804.00**.

(4) If funds remain after the allocations under subsection (3), the department shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). The department shall distribute these remaining funds to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.

(5) For the purposes of subsection (4), the department shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by adding the number of children served in the immediately preceding year by that intermediate district or consortium with the number of eligible children under section 32d served exclusively by ~~head-start~~, **Head Start**, as reported in a form and manner prescribed by the department, within the intermediate district or consortia service area and dividing that total by the total number of children within the intermediate district or consortium of intermediate districts who meet the criteria of section 32d as determined by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the intermediate district or consortium is eligible for additional funds under subsection (4). The statewide percentage benchmark is 100%.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but does not receive additional funding under section 32d for those children.

(7) The department shall review the program components under section 32d and under this section at least biennially. The department also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, "GSRP/Head Start blended program", **"GSRP extended program"**, "part-day program", and "school-day program" mean those terms as defined in section 32d.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for 2022-2023 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$780,200,000.00~~, **\$782,600,000.00**, and there is allocated for 2023-2024 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$754,700,000.00~~, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount estimated at \$1,200,000.00 for 2022-2023 **and \$1,200,000.00 for 2023-2024** to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at \$100,000,000.00 for 2022-2023 **and \$100,000,000.00 for 2023-2024** for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at \$13,000,000.00 for 2022-2023 **and \$13,000,000.00 for 2023-2024** for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at \$2,800,000.00 for 2022-2023 **and \$2,800,000.00 for 2023-2024** for rural and low-income schools, funded from DED-OESE, rural and low income school funds.

(e) An amount estimated at \$535,000,000.00 for 2022-2023 **and \$535,000,000.00 for 2023-2024** to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(f) An amount estimated at \$9,200,000.00 for 2022-2023 **and \$9,200,000.00 for 2023-2024** for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) An amount estimated at \$14,000,000.00 for 2022-2023 **and \$14,000,000.00 for 2023-2024** to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at \$35,000,000.00 for 2022-2023 **and \$35,000,000.00 for 2023-2024** to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) An amount estimated at \$3,100,000.00 for 2022-2023 **and \$3,100,000.00 for 2023-2024** for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program.

(k) An amount estimated at \$27,900,000.00 for 2022-2023 **only** to establish safer and healthier learning environments, and to prevent and respond to acts of bullying, violence, and hate that impact school communities at individual and systemic levels, funded from DED-OESE, stronger connections grant program.

(l) An amount estimated at \$1,000,000.00 for 2022-2023 and an amount estimated at \$1,000,000.00 for 2023-2024 for grants to support and demonstrate innovative partnerships to train school-based mental health service providers, funded from DED-OESE, mental health service professional demonstration grant program.

(2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at \$60,500,000.00 for 2023-2024** for the following programs that are funded by federal grants:

(a) An amount estimated at \$3,000,000.00 for 2022-2023 **and \$3,000,000.00 for 2023-2024** to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) An amount estimated at \$24,000,000.00 for 2022-2023 **and \$24,000,000.00 for 2023-2024** for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(c) An amount estimated at \$14,000,000.00 for 2022-2023 **and \$14,000,000.00 for 2023-2024** for the Michigan charter school subgrant program, funded from DED-OIL, public charter schools program funds.

(d) An amount estimated at ~~\$14,000,000.00~~ **\$18,000,000.00** for 2022-2023 **and \$18,000,000.00 for 2023-2024** for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool development funds.

(e) An amount estimated at \$1,500,000.00 for 2022-2023 **and \$1,500,000.00 for 2023-2024** for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department shall distribute all federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(4) For the purposes of applying for federal grants appropriated under this article, the department shall allow an intermediate district to submit a consortium application on behalf of 2 or more districts with the agreement of those districts as appropriate according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under this article, in addition to any other federal grants for which the strict discipline academy is eligible, the department shall allocate to a strict discipline academy out of title I, part A an amount equal to what the strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

(a) “DED” means the United States Department of Education.

(b) “DED-OESE” means the DED Office of Elementary and Secondary Education.

(c) “DED-OII” means the DED Office of Innovation and Improvement.

(d) “DED-OVAE” means the DED Office of Vocational and Adult Education.

(e) “HHS” means the United States Department of Health and Human Services.

(f) “HHS-OCC” means the HHS Office of Child Care.

(g) “HHS-SAMHSA” means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the “WIDA ACCESS for English language learners” or the “WIDA Alternate ACCESS”. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$26,511,000.00~~ **\$39,766,500.00** for ~~2022-2023~~ **2023-2024** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) ~~\$984.00~~ **\$1,476.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment. **It is the intent of the legislature to increase this amount until it reaches 75% of the target foundation allowance.**

(b) ~~\$679.00~~ **\$1,019.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment. **It is the intent of the legislature to increase this amount until it reaches 50% of the target foundation allowance.**

(c) ~~\$411.00~~ **\$167.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment. **It is the intent of the legislature to increase this amount until it reaches 35% of the target foundation allowance.**

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding categories.

(4) Each district receiving funds under subsection (1) shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district of funds under subsection (1) in a form and manner determined by the department, including a brief description of each program conducted or services performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the state school aid fund.

(5) In order to receive funds under subsection (1), a district must allow access for the department or the department’s designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12-K to 12 school aid appropriations.

Sec. 41b. From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed ~~\$1,250,000.00~~ **\$1,500,000.00** for KEYS Grace Academy to, in partnership with Kalasho Education and Youth Services, provide English-as-a-second-language services, provide early childhood learning, improve progress toward high school graduation attainment, and provide K to 12 education-support services to legal immigrants. ~~, including, but not limited to, those individuals who recently arrived to the United States from Afghanistan with an application before the United States Department of Homeland Security for temporary protected status or federal humanitarian parole.~~

Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~ **\$1,573,296,100.00** for 2021-2022-2022-2023 and there is allocated an amount not to exceed ~~\$1,460,503,100.00~~ **\$1,694,646,100.00** for 2022-2023-2023-2024 from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$380,000,000.00~~ **\$390,000,000.00** for 2021-2022-2022-2023 and ~~\$390,000,000.00~~ for 2022-2023-, **2023-2024**, plus any carryover federal funds from previous year appropriations. **In addition, from the state school aid fund money in section 11, there is allocated an amount not to exceed \$76,150,000.00 for 2023-2024 only to supplement the allocations in this section.** The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$324,000,000.00~~ **\$350,400,000.00** for 2021-2022-~~2022-2023~~ and estimated at ~~\$323,300,000.00~~ **\$368,000,000.00** for 2022-2023-, **2023-2024**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection are made as follows:

(a) For 2021-2022, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(b) For 2022-2023, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(c) After the allocations under subdivision (a) or (b), as applicable, the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) or (b), as applicable, do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.

(a) For 2022-2023, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(b) For 2022-2023, after the allocation under subdivision (a), the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.

(c) Beginning in 2023-2024, subdivisions (a) and (b) no longer apply.

(3) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for the fiscal year under subsection (2)(~~e~~)-(2) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. The department shall make adjustments for reductions in special education program operations or services in a manner determined by the department and shall include adjustments for program or service shifts.

(4) If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2) is not sufficient to fulfill the specified percentages in subsection (2), then the department shall pay the shortfall to the district or intermediate district during the fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), then the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. ~~However, for 2021-2022 only, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection. Beginning in 2022-2023, if the amount allocated under subsection (2)(b) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection. For 2022-2023, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection.~~

(5) State funds are allocated on a total approved cost basis. Federal funds are allocated under applicable federal requirements.

(6) From the amount allocated in subsection (1), there is allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022~~ **2022-2023** and there is allocated an amount not to exceed \$2,200,000.00 for ~~2022-2023~~ **2023-2024** to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. The department shall determine net increase in necessary costs in a manner specified by the department.

(7) For purposes of this section and sections 51b to 58, all of the following apply:

(a) "Total approved costs of special education" are determined in a manner specified by the department and may include indirect costs, but must not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for Social Security and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services are reimbursed under this section only for that portion of time actually spent providing these programs and services, with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program.

(b) A district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this article. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

(c) If the department determines before bookclosing for a fiscal year that the amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate district whose reimbursement for that fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and the department shall calculate reimbursement for that district or intermediate district in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the department shall prorate calculations and resulting reimbursement under this subdivision on an equal percentage basis. The amount of reimbursement under this subdivision for a fiscal year must not exceed \$2,000,000.00 for any district or intermediate district.

(d) Reimbursement for ancillary and other related services, as that term is defined by R 340.1701c of the Michigan Administrative Code, is not provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, must not be borne by the parent. In addition, the filing of claims must not delay the education of a pupil. A district or intermediate district is responsible for payment of a deductible amount and for an advance payment required until the time a claim is paid.

(e) If an intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan Schools for the Deaf and Blind is not included in the membership count of a district, but is counted in membership in the intermediate district of residence.

(9) Special education personnel transferred from 1 district to another to implement the revised school code are entitled to the rights, benefits, and tenure to which the individual would otherwise be entitled had that individual been employed by the receiving district originally.

(10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$1,600,000.00~~ **\$2,000,000.00** for 2021-2022-~~2022-2023~~ and estimated at ~~\$1,500,000.00~~ **\$2,000,000.00** for ~~2022-2023~~, **2023-2024**, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by the department of health and human services.

(12) If it is determined that funds allocated under subsection (2) or (11) or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or (11) or under section 51c in order to fully fund those allocations. After payments under subsections (2) and (11) and section 51c, the department shall expend the remaining funds from the allocation in subsection (1) in the following order:

(a) One hundred percent of the reimbursement required under section 53a.

(b) One hundred percent of the reimbursement required under subsection (6).

(c) One hundred percent of the payment required under section 54.

(d) One hundred percent of the payment required under subsection (3).

(e) One hundred percent of the payments under section 56.

(13) The allocations under subsections (2), (3), and (11) are allocations to intermediate districts only and are not allocations to districts, but instead are calculations used only to determine the state payments under section 22b.

(14) If a public school academy that is not a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with a disability, as that term is defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement must include at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(15) For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, directly receives the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(16) For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(17) For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for ~~2021-2022-2022-2023~~ and for ~~2022-2023-2023-2024~~, the amount necessary, estimated at ~~\$719,000,000.00~~ **\$780,400,000.00** for ~~2021-2022-2022-2023~~ and ~~\$709,900,000.00~~ **\$820,000,000.00** for ~~2022-2023-2023-2024~~, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b to fully fund those allocations for the same fiscal year. ~~For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.~~

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ all available federal funding, estimated at \$71,000,000.00, for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated:

(a) For ~~2022-2023-2023-2024~~, an amount estimated at \$14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For ~~2022-2023-2023-2024~~, an amount estimated at \$14,000,000.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For ~~2022-2023-2023-2024~~, an amount estimated at \$43,000,000.00 for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

(3) As used in this section, "DED-OSERS" means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for 2022-2023 the amount necessary, estimated at ~~\$336,207,000.00~~ **\$350,900,000.00** for 2022-2023, **for payments to districts and intermediate districts for 75% of foundation allowance costs associated with special education pupils, and there is allocated for 2023-2024 the amount necessary, estimated at \$491,200,000.00 for 2023-2024**, for payments to districts and intermediate districts for ~~75%-100%~~ of foundation allowance costs associated with special education pupils.

(2) **For 2022-2023, the department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times 75% of the foundation allowance under section 20 of the pupil's district of residence, plus 75% of the amount of the district's per-pupil allocation under section 20m, not to exceed 75% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 75% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using 75% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 75% of the target foundation allowance for the current fiscal year, and 75% of that district's per-pupil allocation under section 20m.**

(3) ~~(2) The Beginning in 2023-2024, the department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times 75%-100% of the foundation allowance under section 20 of the pupil's~~

district of residence, plus ~~75%-100%~~ of the amount of the district's per-pupil allocation under section 20m, not to exceed ~~75%-100%~~ of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to ~~75%~~ **100%** of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using ~~75%-100%~~ of the foundation allowance under section 20 of the pupil's district of residence, not to exceed ~~75%-100%~~ of the target foundation allowance for the current fiscal year, and ~~75%-100%~~ of that district's per-pupil allocation under section 20m.

~~(3) In addition to the amount calculated in subsection (2), there is allocated the difference between the amount received under section 51f in the 2021-2022 fiscal year and the amount calculated under subsection (2). If the calculated amount under subsection (2) exceeds the amount received by the district or intermediate district under section 51f for the 2021-2022 fiscal year, there is no payment calculated under this subsection.~~

Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is allocated for ~~2022-2023~~ **2023-2024** to an association for administrators of special education services to develop content for use by special education students, teachers, and others. Any content that is developed as described in this section must be accessible throughout this state. Funds received by an association under this section may be used to support the development of assessment tools to measure the needs of students with special education needs in remote learning environments and the effectiveness of various educational methods and tools, in collaboration with the department. Funds under this section may also be utilized to identify any available federal funds for research related to special education in remote learning.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's foundation allowance calculated under section 20 and minus the district's per-pupil allocation under section 20m. For intermediate districts, the department shall calculate reimbursement for pupils described in subsection (2) in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance under section 20 for the current fiscal year plus the amount of the district's per-pupil allocation under section 20m.

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation are funded under this section and are not reimbursed under section 58.

~~(5) The department shall not allocate more than \$10,500,000.00 of the allocation for 2021-2022 in section 51a(1) under this section. The department shall not allocate more than \$10,500,000.00 of the allocation for 2022-2023-2023-2024 in section 51a(1) under this section.~~

Sec. 54. Each intermediate district receives an amount per pupil for each pupil in attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to the total instructional cost at each school. ~~The department shall not allocate more than \$1,688,000.00 of the allocation for 2021-2022 in section 51a(1) under this section. The department shall not allocate more than \$1,688,000.00 of the allocation for 2022-2023-2023-2024 in section 51a(1) under this section.~~

Sec. 54b. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2022-2023~~ **2023-2024** to continue the implementation of the recommendations of the special education reform task force published in January 2016.

(2) The department shall use funds allocated under this section for the purpose of piloting statewide implementation of the MiMTSS Center, a nationally recognized program that includes positive behavioral

intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in the MiMTSS Center, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that the MiMTSS Center can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

(3) As used in this section, “MiMTSS Center” means the Michigan Multi-Tiered System of Supports Center.

Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$21,250,000.00~~ **\$22,313,000.00** for ~~2022-2023~~ **2023-2024** to intermediate districts for the purpose of providing state early on services programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department.

(2) To be eligible to receive grant funding under this section, each intermediate district must apply in a form and manner determined by the department.

(3) The grant funding allocated under this section must be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant funds must not be used to supplant existing services that are currently being provided.

(4) The department shall distribute the funds allocated under subsection (1) to intermediate districts according to the department’s early on funding formula utilized to distribute the federal award to Michigan under part C of the individuals with disabilities education act, Public Law 108-446. Funds received under this section must not supplant existing funds or resources allocated for early on early intervention services. An intermediate district receiving funds under this section shall maximize the capture of Medicaid funds to support early on early intervention services to the extent possible.

(5) Each intermediate district that receives funds under this section shall report data and other information to the department in a form, manner, and frequency prescribed by the department to allow for monitoring and evaluation of the program and to ensure that the children described in subsection (1) received appropriate levels and types of services delivered by qualified personnel, based on the individual needs of the children and their families.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) Grant funds awarded and allocated to an intermediate district under this section must be expended by the grant recipient before June 30 of the fiscal year immediately following the fiscal year in which the funds were received.

Sec. 56. (1) For the purposes of this section:

(a) “Membership” means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.

(b) “Millage levied” means the millage levied for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.

(c) “Taxable value” means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed ~~\$40,008,100.00~~ **\$40,008,100.00** for ~~2021-2022 and an amount not to exceed \$40,008,100.00 for 2022-2023 and 2023-2024~~ to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

(3) ~~Except as otherwise provided in this subsection, reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil computed by subtracting from \$218,200.00 the 2020-2021 taxable value behind each membership pupil and multiplying the resulting difference by the 2020-2021 millage levied, and then subtracting from that amount the 2020-2021 local community stabilization share revenue for special education purposes behind each membership pupil for~~

reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2021-2022 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2021-2022 is made in 2022-2023 at an amount per 2021-2022 membership pupil computed by subtracting from \$229,600.00 the 2021-2022 taxable value behind each membership pupil and multiplying the resulting difference by the 2021-2022 millage levied, and then subtracting from that amount the 2021-2022 local community stabilization share revenue for special education purposes and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in 2022-2023 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2021-2022~~ 2022-2023 is made in ~~2022-2023~~ 2023-2024 at an amount per ~~2021-2022~~ 2022-2023 membership pupil computed by subtracting from ~~\$229,600.00~~ **\$238,800.00** the ~~2021-2022~~ 2022-2023 taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022~~ 2022-2023 millage levied, and then subtracting from that amount the ~~2021-2022~~ 2022-2023 local community stabilization share revenue for special education purposes and ~~2021-2022~~ 2022-2023 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. **For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62.** Reimbursement in ~~2022-2023~~ 2023-2024 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(5) The department shall ensure that the amount paid to a single intermediate district under subsection (2) does not exceed 62.9% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.

(7) From the allocation under section 51a(1), there is allocated an amount not to exceed \$34,200,000.00 for ~~2021-2022 and an amount not to exceed \$34,200,000.00 for 2022-2023~~ **and 2023-2024** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:

(a) For ~~2021-2022~~, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under

subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(b) For 2021-2022, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$281.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(a) (c) For 2022-2023 ~~and 2023-2024~~, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(b) (d) For 2022-2023 ~~and 2023-2024~~, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocations under subsections (2) and (7), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

(9) (8)-As used in subsection (7):

(a) “3-year average membership” means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) “3-year average special education millage revenue per pupil” means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$47,611,300.00~~ **\$48,011,300.00** for ~~2022-2023~~ **2023-2024** only to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the target foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs according to rules approved by the superintendent. It is the intent of the legislature that, for ~~2023-2024~~, **2024-2025**, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this subsection will be \$37,611,300.00. Applications for participation in the programs must be submitted in the form prescribed by the department. The department shall determine the added cost for each career and technical education program area. The department shall prioritize the allocation of added cost funds based on the capital and program expenditures needed to operate the career and technical education programs provided; the number of pupils enrolled; the advancement of pupils through the instructional program; the existence of an articulation agreement with at least 1 postsecondary institution that provides pupils with opportunities to earn postsecondary credit during the pupil’s participation in the career and technical education program and transfers those credits to the postsecondary institution upon completion of the career and technical education program; and the program rank in student placement, job openings, and wages, and shall ensure that the

allocation does not exceed 75% of the added cost of any program. Notwithstanding any rule or department determination to the contrary, when determining a district's allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and must be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, the department shall reimburse districts and intermediate districts for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than \$800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$8,000,000.00 for CTE early middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE early middle college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

(i) An ~~associate's~~**associate** degree.

(ii) 60 ~~transferable~~**transferable** college credits.

(iii) Professional certification.

(iv) A Michigan Early Middle College Association certificate.

(v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board service delivery area ranked by 10-year projections of annual job openings and median

wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job openings. The career and educational advisory council located in the workforce development board service delivery area shall review the rankings and modify them if necessary to accurately reflect employer demand for talent in the workforce development board service delivery area. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings must be determined and updated once every 4 years.

(b) An identification of educational entities in the workforce development board service delivery area that will provide eligible CTE early middle college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE early middle college and CTE dual enrollment programs in the workforce development board service delivery area.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 16 workforce development board service delivery area strategic plans jointly approved by the department of labor and economic opportunity and the department.

(b) Has a coherent sequence of courses in a specific career cluster that will allow a student to earn a high school diploma and achieve at least 1 of the following:

(i) For CTE early middle college, outcomes as defined in subsection (3)(f).

(ii) For CTE dual enrollment, 1 of the following:

(A) An associate degree.

(B) An industry-recognized technical certification approved by the department of labor and economic opportunity.

(C) Up to 60 transferable college credits.

(D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) The department shall distribute funds to eligible CTE early middle college and CTE dual enrollment programs as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) The distribution to each eligible CTE early middle college or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE early middle college or CTE dual enrollment program in the immediately preceding school year.

(7) In order to receive funds under this section, a CTE early middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated for ~~2022-2023~~ **2023-2024** from the funds under subsection (1) an amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs.

Applications for grants must be submitted in a form and manner determined by the department. The amount of a grant under this subsection must not exceed \$50,000.00. To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, the department shall make payments under this subsection in the manner determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section must not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE early middle college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the department of labor and economic opportunity and the department.

(b) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) "Early middle college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61c. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** only an amount not to exceed ~~\$7,500,000.00~~ **\$15,000,000.00** to eligible career education planning districts (CEPDs) for the purposes described in this section. ~~To be eligible to receive funding under this section, at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in 2022.~~

(2) ~~To be eligible to receive funding under subsection (1), each in the first round of grants under this section, at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in 2023. Each eligible CEPD must apply in a form and manner prescribed by the department. An application must include the funding amount requested by the CEPD. Funding to each an eligible CEPD must be equal to the quotient of the allocation under subsection (1) and the sum of the number of career education planning districts eligible CEPDs applying for funding under subsection (1) that are located in an intermediate district that did not levy a vocational education millage in 2022 in the first round of grants, or the individual CEPD's requested funding amount, whichever is less.~~

(3) **If funding remains after the first round of grants under subsection (2), the department may administer a second round of grants under this section. To be eligible to receive funding in the second round of grants, a CEPD must not have been eligible for funding in the first round of grants. Each eligible CEPD must apply in a form and manner prescribed by the department. An application must include the funding amount requested by the CEPD. Funding to each eligible CEPD must be equal to the quotient of the funds remaining after the first round of grants and the number of CEPDs applying for funding in the second round of grants.**

(4) ~~(3) At least 50% of the funding allocated to each eligible CEPD must be used to update equipment in current state-approved CTE programs that have been identified in the highest 5 career cluster rankings in any of the prosperity regions in the most recent CEPD regional strategic plans jointly approved by the Michigan talent investment agency in the department of labor and economic opportunity and the department; for training on new equipment; for professional development relating to computer science or coding; or new equipment purchases; for the replacement of old or outdated equipment or new equipment in existing state-approved CTE programs that align with new technology used in industries; or for new and emerging certified state-approved CTE programs to allow CEPD administrators to provide programming in communities that will enhance economic development. The funding for equipment should~~

be used to support and enhance community areas that have sustained job growth, and act as a commitment to build a more qualified and skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing equipment from local private industry to encourage the use of the most advanced equipment.

(5) (4)–The allocation of funds under this section at the local level must be determined by CEPD administrators using data from the state, region, and local sources to make well-informed decisions on program equipment improvements. Grants awarded by CEPD administrators for capital infrastructure costs related to the purchase of new equipment must be used to ensure that state-approved CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to ensure that program advisory boards make recommendations on needed improvements for equipment that support job growth and job skill development and retention for both the present and the future.

(6) (5)–Not later than September–December 15 of each fiscal year, each CEPD receiving funding shall annually report to the department, the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the legislature on equipment purchased under subsection (1). In addition, the report must identify growth data on program involvement, retention, and development of student skills.

(7) (6)–As used in this section:

(a) “CEPD” means a career education planning district described in this section.

(b) “CTE” means career and technical education.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2022–2023~~ **2023–2024** an amount not to exceed \$5,000,000.00 from the state school aid fund for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) The department shall calculate payments to districts under this section in the following manner:

(a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program that provides instruction in critical skills and high-demand career fields.

(3) If the allocation under subsection (1) is insufficient to fully fund payments under subsection (2), the department shall prorate payments under this section on an equal per-pupil basis.

~~(4) If a student attends a career and technical education program at an intermediate district, the payment under subsection (2) attributable to that student must be split equally between the intermediate district providing the program and the district that counts the student in membership.~~

(4) (5)–As used in this section:

(a) “Career and technical education program” means a state-approved career and technical education program, as determined by the department.

(b) “Career and technical education program that provides instruction in critical skills and high-demand career field” means a career and technical education program classified under any of the following 2-digit classification of instructional programs (CIP) codes:

(i) 01, which refers to “agriculture, agriculture operations, and related sciences”.

(ii) 03, which refers to “natural resources and conservation”.

(iii) 10 through 11, which refers to “communications technologies/technicians and support services” and “computer and information sciences and support services”.

(iv) 14 through 15, which refers to “engineering” and “engineering technologies and engineering-related fields”.

(v) 26, which refers to “biological and biomedical sciences”.

(vi) 46 through 48, which refers to “construction trades”, “mechanic and repair technologies/technicians”, and “precision production”.

(vii) 51, which refers to “health professions and related programs”.

Sec. 61j. (1) From the state school aid fund money appropriated in section 11, \$10,700,000.00 is allocated for 2023–2024 only to Huron School District to support the Downriver Career and Technical Education Consortium.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61k. (1) From the state school aid fund money appropriated in section 11, \$2,600,000.00 is allocated for 2023–2024 only to Mott Community College to renovate a building in the city of Flint for the purpose of creating a bilingual early childhood education center. For purposes of this section,

Mott Community College may partner with a community-based organization to complete the renovation.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61l. (1) From the state school aid fund money appropriated in section 11, \$1,200,000.00 is allocated for 2023-2024 only to Schoolcraft College to expand its early middle college program, SC Edge.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61m. (1) From the state school aid fund money appropriated in section 11, there is allocated \$2,500,000.00 for 2023-2024 only to Beecher Community School District to match philanthropic funding that is donated to the district. The funding allocated under this section must be used to build a new high school for Beecher Community School District.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61n. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$3,000,000.00 for 2023-2024 only for Waverly Community Schools for renovation planning and construction capital costs for a high school auditorium.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61o. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$6,500,000.00 for 2023-2024 only for a community district that was created as described under section 383 of the revised school code, MCL 380.383, for renovations and essential structural improvements for Coleman A. Young Elementary School.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61p. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$5,000,000.00 for 2023-2024 only for a community district that was created as described under section 383 of the revised school code, MCL 380.383, for renovations and essential structural improvements for a foreign language immersion and cultural studies school.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61q. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$5,000,000.00 for 2023-2024 only to Ingham Intermediate District to establish the Michigan Joint Training Innovation Center as a public-private initiative that drives the following activities:

(a) Developing the content development skills that will be central to the creation of economic opportunities in the new digital world.

(b) Creating the content to provide training and upskilling to meet the needs of this state's evolving workforce.

(c) Delivering the training needed by Michigan's employers.

(d) Distributing the training statewide using advanced technologies.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61r. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$500,000.00 to Lansing Public School District for the Hill Center track.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61s. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$4,000,000.00 to Eaton RESA to support the efforts of FFA. The money under this section may be used for capital improvements and equipment, the credentialing and updating of Perkins 5, and for general agriculture education and current structures of FFA.

(2) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support the purposes of this section. The estimated completion date of the work project is September 30, 2027.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61t. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$1,000,000.00 to the school district of the city of Harper Woods to support the construction of a career technical education center.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 61u. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$1,000,000.00 to Romulus Community Schools to support the construction of a career technical education center.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 62. (1) For the purposes of this section:

(a) "Membership" means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district or the total membership of the area vocational-technical program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership of that district are not included in the membership of the intermediate district. However, the membership of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the membership of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(b) "Millage levied" means the millage levied for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the taxable value of that district is not included in the taxable value of the intermediate district. However, the taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the appropriation in section 11, there is allocated an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-2022-2022-2023~~ and for ~~2022-2023-2023-2024~~ to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by those millages.

(3) Reimbursement for those millages levied in ~~2020-2021-2021-2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021-2021-2022~~ membership pupil computed by subtracting from \$227,300.00 ~~\$237,500.00~~ the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2020-2021-2021-2022~~ millage levied, and then subtracting from that amount the ~~2020-2021-2021-2022~~ local community stabilization share revenue for area vocational technical education **and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670**, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, **and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670**. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(4) Reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~ **\$248,800.00** the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for area vocational technical education and ~~2021-2022-2022-2023~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. **For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.**

(5) The department shall ensure that the amount paid to a single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed \$900,000.00 for ~~2022-2023 only-2023-2024~~ for a pre-college engineering ~~K-12-K to 12~~ educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015. ~~It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$400,000.00.~~

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$3,000,000.00~~ **\$5,000,000.00** for ~~2022-2023-2023-2024~~ for college access programs. **It is the intent of the legislature that, for 2024-2025, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$3,000,000.00.** The programs funded under this section are intended to inform students of college and career options and to provide resources intended to increase the number of pupils who are adequately prepared with the information needed to make informed decisions on college and career. The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section must not be used to supplant funding for counselors already funded by districts.

(2) The department of labor and economic opportunity shall administer funds allocated under this section in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

(a) Michigan college access network operations, programming, and services to local college access networks.

(b) Local college access networks, which are community-based college access/success partnerships committed to increasing the college participation and completion rates within geographically defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the department of labor and economic opportunity.

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, “college” means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67c. (1) From the general fund money appropriated in section 11, there is allocated for **2022-2023 2023-2024** only an amount not to exceed \$3,000,000.00 to Michigan State University as prescribed in this section.

(2) Michigan State University shall use the funding it receives under subsection (1) to recruit participants for and to provide stipends for basic living expenses to participants in a developer academy at Michigan State University that, at a minimum, does all of the following:

(a) Provides individuals age 18 or older with a 1-year program focused on coding, design, entrepreneurship, and essential professional skills.

(b) Provides the individuals described in subdivision (a) the opportunity to become world-class developers.

(c) Provides the individuals described in subdivision (a) the opportunity to work on real-world challenges and connect with community and industry partners.

(d) Provides a month-long foundation program throughout the year designed for learners considering app economy careers who are also interested in learning more about app development generally.

(e) Provides the services described in subdivisions (a) to (d) without charging participants tuition or fees.

(3) In determining the amount of each stipend described in subsection (2), Michigan State University shall, based on the federal free application for federal student aid (FAFSA) form, determine the participant’s estimated family contribution and compare that to the participant’s indirect opportunity cost.

(4) As used in this section, “opportunity cost” means the income a participant foregoes by not working at minimum-wage levels due to ~~his or her~~ **the participant’s** attendance in the developer academy described in this section.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 67f. (1) **From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$10,000,000.00 for the FAFSA completion challenge. Funds allocated under this section must be distributed to districts to improve FAFSA completion rates.**

(2) To be eligible to receive funding under this section, each district must apply in a form and manner determined by the department. As part of the application, the district must demonstrate to the department that each high school from the applying district receiving funds under this section has a data use agreement on file with the department of treasury naming at least 1 data receiver designee to access student-level data regarding FAFSA completion.

(3) No later than November 30, 2023, the department must pay each eligible district an amount not to exceed \$50.00 multiplied by the number of students enrolled and attending grade 12 in the district. The receiving district must use funds received under this subsection for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department, in collaboration with the Michigan college access network.

(4) No later than September 30, 2024, the department must pay each eligible district an amount not to exceed \$50.00 multiplied by the number of students enrolled and attending grade 12 in the district who submitted a FAFSA prior to June 30, 2024. Funds received under this subsection may be used for discretionary purposes, as determined by the districts, though districts are encouraged to use funds received under this subsection to continue work to improve FAFSA completion rates.

(5) The department must collaborate with the department of treasury to verify eligible FAFSA completion counts for the purposes of calculating payments under subsection (4). By not later than July 15, 2024, the department of treasury must provide the department FAFSA completion information necessary for calculating payments under this section.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) As used in the section, “FAFSA” means the free application for federal student aid form.

Sec. 67g. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2023-2024 only for an online early childhood family engagement platform that offers all of the following:

(a) Evidence-based content in English and Spanish that spans developmentally from birth to grade 3.

(b) Videos and activities that families can use to support learning without the need for additional materials.

(c) Access to usage data accessible to teachers, administrators, and the department.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 74. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$3,964,800.00 **\$3,842,700.00** for 2021-2022 and there is allocated an amount not to exceed ~~\$3,844,200.00~~ for 2022-2023 **2023-2024** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for 2021-2022 and there is allocated an amount not to exceed ~~\$1,819,200.00~~ for 2022-2023 **2023-2024** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Sec. 74b. (1) From the state school aid fund money appropriated in section 11, there is allocated for **2023-2024** only an amount not to exceed \$125,000,000.00 for grants under the clean school bus grant program. Funds under this section must be administered through the department, to be distributed to districts and intermediate districts using guidelines from the department of environment, Great Lakes, and energy's clean fleet initiative that supports the conversion of vehicular fleets to low- or no- greenhouse gas emissions operations as determined by the department of environment, Great Lakes, and energy. Alternative fuel vehicles, including, but not limited to, vehicles that operate using electricity, propane, and natural gas, are eligible expenses under this section.

(2) Qualified recipients must apply for funding in a form and manner determined by the department. Qualified recipients must agree to be responsive to legitimate and reasonable requests from this state to support the promotion, education, and operation of electric vehicle school buses and other alternative fuel school buses, including participating in and offering ride events for the public and drive events for other school bus drivers as allowable by insurance.

(3) The department shall award funding under this section on a prioritization basis, with funds covering 90% of the cost for prioritized qualified recipients and 70% of costs for nonprioritized qualified recipients. The department may cap total funding amounts per qualified recipient. Funding under this section may be used for maintenance or operational costs of new or existing vehicles.

(4) The department, in cooperation with the department of environment, Great Lakes, and energy, shall establish eligibility standards for replacement and new bus purchases, including eligibility standards for which types of buses are eligible for purchase with funds under this section. For a qualified recipient that is a privately owned school bus company, the qualified recipient must agree to

repay a portion of amounts received from funds under this section if the qualified recipient does not maintain a service contract with a public school district for the useful life of vehicles purchased with funds under this section. The department, in cooperation with the department of environment, Great Lakes, and energy, must determine a repayment amount based on the projected useful life of the vehicle purchased, the number of years in which the privately owned school bus company maintained a service contract with a public school district, and the total amount of funding received under this section.

(5) The department shall create and publicly post selection criteria and prioritization of qualified recipients. The department shall utilize federal Justice40 parameters for this process. The criteria under this subsection must give preference to qualified recipients that are school districts or intermediate districts in any of the following:

(a) National Ambient Air Quality Standards (NAAQS) nonattainment zones.

(b) Environmental justice communities as identified by this state's MiEJScreen Environmental Justice Screening Tool.

(c) Small Area Income and Poverty Estimates (SAIPE) Program areas.

(d) Rural areas as defined by locale codes "43-Rural: Remote" and "42-Rural: Distant" by the National Center for Education Statistics.

(e) Communities with high free and reduced lunch participation rates.

(6) Funds under this section must 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.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide support for qualified recipients to transition to environmentally friendly transportation vehicles. The estimated completion date of the work project is September 30, 2027.

(9) As used in this section:

(a) "Operational cost" means any cost of operating an electric bus, including, but not limited to, the purchase and installation of infrastructure, including, but not limited to, charging stations and hubs.

(b) "Qualified recipient" means a district, an intermediate district, or a privately owned school bus company under contract with a district.

Sec. 81. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ to the intermediate districts the sum necessary, but not to exceed \$75,642,600.00 ~~\$79,424,700.00~~ to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section for ~~2022-2023-2023-2024~~ to each intermediate district is an amount equal to ~~405.2%~~ **105.0%** of the amount allocated to the intermediate district under this section for ~~2021-2022-2022-2023~~. An intermediate district shall use funding provided under this section to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district or the annexation of all of the constituent ~~K-12~~ **K to 12** districts of a previously existing intermediate district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

(c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.

(d) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.

(e) Comply with section 1230g of the revised school code, MCL 380.1230g.

(f) Provide advice, guidance, and leadership to assist all districts located within its geographic boundaries to assist in the preparedness and response efforts toward addressing COVID-19. At a minimum, this must include the coordination and collaboration with any local public health agency that has jurisdiction within the intermediate district's geographic boundaries and may include the coordination of bulk purchasing of personal protective equipment, technology, or other products or services necessary for students to return to school.

(g) Ensure that all districts located within its geographic boundaries have equitable access to the intermediate district's coordination activities and services, intermediate district-wide or regional meetings, regularly scheduled superintendent meetings, programming, events, email distribution lists, listservs, or other coordination or collaboration activities organized by or hosted at the intermediate district. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to services, meetings, programming, events, email distribution lists, listservs, or activities as described in the immediately preceding sentence, the intermediate district shall ensure that districts that are public school academies that are located within its geographic boundaries are not excluded from said services, meetings, programming, events, email distribution lists, listservs, or activities organized by or hosted at the intermediate district if districts that are not public school academies that are located within the geographic boundaries of the intermediate district are not excluded.

Sec. 94. (1) From the general fund money appropriated in section 11, there is allocated to the department for 2022-2023 **2023-2024** an amount not to exceed \$1,200,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to support the college-level examination program (CLEP).

(2) From the funds allocated under this section, the department shall award funds to cover all or part of the costs of advanced placement test fees or international baccalaureate test fees and international baccalaureate registration fees for low-income pupils who take an advanced placement or an international baccalaureate test and CLEP fees for low-income pupils who take a CLEP test.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95, as applicable.

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each test for which payment is made.

(4) If funds remain after the awards granted in subsection (2), the department shall award funds to reimburse a portion of the costs associated with the provision of advanced placement (AP), international baccalaureate (IB), or college-level examination program (CLEP) exams for students whose family income exceeds low-income status as determined by the department.

(5) (4)-The department shall establish procedures for awarding funds under this section.

(6) (5)-Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.

(b) Create, maintain, and enhance this state's P-20 longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data must include, but are not limited to, all of the following:

(i) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(ii) Data access or, if practical, data sets, provided for regional data hubs that, in combination with local data, can improve teaching and learning in the classroom.

(iii) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the residents of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(i) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(ii) Contains student-level enrollment, demographic, and program participation information, **including data associated with students who have been identified as having an affiliation to 1 or more federally recognized Indian tribes and student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.**

(iii) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(ii) Contains student-level transcript information, including information on courses completed and grades earned.

(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$19,932,300.00~~ **\$18,988,600.00** for 2022-2023-~~2023-2024~~ to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for 2022-2023-~~2023-2024~~ the amount necessary, estimated at \$193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for ~~2022-2023~~ **2023-2024** to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant must support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year has priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section, “DED-OESE” means the United States Department of Education Office of Elementary and Secondary Education.

Sec. 95b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$2,000,000.00 for ~~2022-2023~~ **2023-2024** only for the model value-added growth and projection analytics system. The department shall continue the model value-added growth and projection analytics system and incorporate that model into its reporting requirements under the every student succeeds act, Public Law 114-95. The model described in this subsection must do at least all of the following:

(a) Utilize existing assessments and any future assessments that are suitable for measuring student growth.

(b) Report student growth measures at the district, school, teacher, and subgroup levels.

(c) Recognize the growth of tested students, including those who may have missing assessment data.

(d) Include all available prior standardized assessment data that meet inclusion criteria across grades, subjects, and state and local assessments.

(e) Allow student growth results to be disaggregated.

(f) Provide individual student projections showing the probability of a student reaching specific performance levels on future assessments. Given school closures and extended cancellations related to COVID-19, the data under this subdivision may be used to inform decisions about student placement or students that could benefit from additional supports or interventions.

(g) Demonstrate any prior success with this state’s assessments through the Michigan council of educator effectiveness teacher evaluation pilot.

(h) Demonstrate prior statewide implementation in at least 2 other states for at least 10 years.

(i) Have a native roster verification system built into the value-added reporting platform that has been implemented statewide in at least 2 other states.

(j) Have a “help/contact us” ticketing system built into the value-added reporting platform.

(k) Given school closures that have occurred pursuant to an executive order issued by the governor, the value-added reporting platform must provide continued hosting and delivery of reporting and offer the department additional supports in the areas of research, analysis, web reporting, and training.

(l) The department and the platform vendor shall provide statewide training for educators to understand the reporting that details the impact to student learning and growth.

(2) The department shall provide internet-based electronic student growth and projection reporting based on the model under subsection (1) to educators at the school, district, and state levels. The model must include role-based permissions that allow educators to access information about the performance of the students within their immediate responsibility in accordance with applicable privacy laws.

(3) The model under subsection (1) must not be a mandatory part of teacher evaluation or educator pay-for-performance systems.

(4) The model under subsection (1) must be a model that received funding under this section in 2018-2019.

(5) By March 31 of each fiscal year for which funding is allocated under this section, the department shall work with the center to make data publicly available on an external website that provides student growth metrics provided by the value-added reporting platform at the district and school level by grade and subject.

(6) Before funds allocated under subsection (1) are paid to the platform vendor, the platform vendor must complete a system security plan, as determined by the department in collaboration with the department of technology, management, and budget.

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,947,000.00 **\$2,000,000.00** for 2022-2023-2023-2024 only for Michigan Virtual University to support Navigate 360. **Funding may be used to support the MichiganCares, PBIS Rewards, and Intervention programs.**

Sec. 97e. (1) From the ~~general-state school aid~~ fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 only an amount not to exceed \$2,000,000.00 **to Wayne RESA for the school safety and mental health commission created under this section in 2022-2023.**

(2) ~~The school safety and mental health commission is created within the department.~~

(2) ~~(3)-~~The commission must consist of all of the following members who must be appointed by the governor as follows:

(a) One member from a list of 3 or more names submitted by the minority leader of the house of representatives who has experience in school mental health.

(b) One member from a list of 3 or more names submitted by the speaker of the house of representatives who has a background in law enforcement.

(c) One member from a list of 3 or more names submitted by the speaker of the house of representatives who is a parent.

(d) One member from a list of 3 or more names submitted by the senate minority leader who is a school psychologist or psychiatrist.

(e) One member from a list of 3 or more names submitted by the senate majority leader who is a prosecutor.

(f) One member from a list of 3 or more names submitted by the senate majority leader who is a teacher.

(g) One member who has a background in school administration.

(h) One member who has experience in school-threat assessments.

(i) One member who has experience in the provision of inpatient treatment to children under age 18.

(3) ~~(4)-~~The director of the department of health and human services or the director's designee may be a member of the commission. In addition, the following department heads or their designees that are from within their respective departments or agencies may be nonvoting, ex officio members of the commission:

(a) The director of the department of state police.

(b) The superintendent of public instruction.

(4) ~~(5)-~~The governor shall appoint 5 of the first members to 2-year terms and 4 of the first members to 4-year terms. After the first appointments, the term of a member of the commission is 4 years or until a successor is appointed under subsection (3), whichever is later.

(5) ~~(6)-~~If a vacancy occurs on the commission, an individual must be appointed in the same manner as prescribed under subsection (3) to fill the vacancy for the balance of the term.

(6) ~~(7)-~~The governor may remove a member of the commission for incompetence, dereliction of duty, malfeasance, or nonfeasance in office, or any other good cause.

(7) ~~(8)-~~The commission shall meet at least ~~monthly~~ **quarterly**.

(8) ~~(9)-~~A majority of the members of the commission constitutes a quorum for transacting business. A vote of the majority of the members of the commission serving is required for any action of the commission.

(9) ~~(10)-~~The commission shall conduct its business in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(10) ~~(11)-~~A writing that is prepared, owned, used, possessed, or retained by the commission in performing an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(11) ~~(12)-~~A member of the commission is not entitled to compensation for service on the commission, but the commission may reimburse a member for actual and necessary expenses incurred in serving.

(12) ~~(13)-~~The commission ~~shall~~ **may** do all of the following:

(a) Collaborate to provide recommendations to reduce youth suicides and strengthen the mental health of school-aged children, adolescents, and their families through a comprehensive, statewide approach.

(b) Seek input from educational professionals, mental health professionals, and organizations from across this state to suggest approaches to identify and support students at risk of behavioral health issues.

(c) Collaborate with the Michigan suicide prevention commission on recommendations regarding youth suicide.

(d) Create and maintain an online community through which best practices and resources can be shared, host professional trainings, and engage in public awareness efforts regarding mental health issues and resources.

(e) ~~Review possible uses of and make recommendations for the use of funds received by districts and nonpublic schools under section 97 and convene symposiums with other relevant commissions, organizations, and professionals.~~

(e) (f) Convey recommendations to the department of licensing and regulatory affairs and the bureau of construction codes within the department of licensing and regulatory affairs concerning building construction that is consistent with school safety needs.

(13) (14) The commission may hire an executive director and staff.

(14) (15) As used in this section, “commission” means the school safety and mental health commission created in subsection (2).

Sec. 97g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only, \$9,000,000.00 to an intermediate district with K to 12 pupil membership between 37,500 and 42,500, as reported in the 2021-2022 MI School Data Student Enrollment Counts Report school year final student count, to establish and operate a statewide Security Operations Center (SOC) in partnership with a statewide educational organization. The SOC will provide a Managed Detection and Response (MDR) solution, including SOC staff, to monitor and assist in responding to threats and attacks on critical technology infrastructure for districts and intermediate districts.

(2) The intermediate district receiving funds under this section shall contract with a nonprofit educational organization that maintains a statewide educational technology collaborative to establish the statewide SOC. This statewide SOC will operate under the guidance of an advisory board, comprising educational technology leaders, with regional statewide representation. Other K to 12 stakeholders may be invited to participate in the advisory.

(3) The nonprofit educational organization that the intermediate district contracted with in subsection (2) shall use the funds to do all of the following:

(a) Establish a statewide advisory.

(b) Establish a statewide SOC security team.

(c) Establish statewide MDR service.

(d) Train district technology staff in the deployment and use of MDR software and services.

(e) Purchase and distribute MDR licensing to districts and intermediate districts for installation on critical technology infrastructure.

(f) Train, monitor, and track district utilization of a toolkit to be identified by the SOC such as MISecure Quick Self-Assessment.

(g) Not later than January 1, 2025 and each subsequent fiscal year, prepare a summary report that includes measurable outcomes including participation, detection, prevention, and response to cybersecurity incidents in order to evaluate the effectiveness of the project. The report must be submitted to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

(4) After the nonprofit educational organization that the intermediate district contracted with in subsection (2) uses funds as required under subsection (3), the nonprofit educational organization may use any remaining funds to do any of the following:

(a) Supply additional cybersecurity services as technologies evolve and budget allows.

(b) Partner with K to 12 statewide connectivity partners to install and monitor intrusion detection systems.

(5) Districts receiving software and service under this project shall do both of the following:

(a) Complete the assessment identified in subsection (3)(f) annually.

(b) Install and maintain statewide SOC MDR software on critical infrastructure as described in this section, provide access to the software to the statewide SOC, and coordinate responses with the statewide SOC and the district’s intermediate district.

(6) For districts that have MDR solutions in place as of October 1, 2023, a licensing cost allocation equal to the cost of the statewide SOC provided license may be provided until the end of the local contract or the end of the funding period, whichever comes first. Funds allocated under this subsection must be used to offset local MDR costs, cybersecurity assessment, or further cybersecurity investment.

(7) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward and may be expended in subsequent years until the end of the 2027-2028 state fiscal year. The purpose of the work project is to increase stable and reliable cybersecurity in districts and intermediate districts. The estimated completion date of the work project is September 30, 2028.

Sec. 97i. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$3,000,000.00 to provide payments to districts and intermediate districts for a firearm detection software that integrates to existing security cameras to detect and alert school personnel and first responders to visible firearms on school property. The software described in the immediately preceding sentence must be designated as qualified anti-terrorism technology under the SAFETY Act, 6 USC 441 to 444, and organically developed and

proprietary to the company it is purchased from and should not include any third-party or open-source data.

(2) To be eligible for funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.

(3) Notwithstanding section 17b, the department shall make payments to districts and intermediate districts under this section on a schedule determined by the department.

Sec. 97j. (1) From the state school aid fund money appropriated in section 11, there is allocated \$6,000,000.00 for 2023-2024 only to districts and intermediate districts for the purchase and implementation of tools that provide a common way of identifying and collecting early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools. The tools described in this section must be used to inform any behavioral threat assessment and threat assessment teams. As used in this section, “early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools” includes, but is not limited to, any of the following behaviors:

- (a) Changes in attendance.
- (b) Changes in academic performance.
- (c) Changes in emotional response.
- (d) Withdrawal.
- (e) The beginning signs of self-harm.
- (f) Problematic peer interaction.
- (g) Discipline concerns that could result in any of the following outcomes:
- (i) Specific interventions, including mental health or behavioral supports.
- (ii) Academic support.
- (iii) Parent or legal guardian conferences.
- (iv) Discipline referrals.
- (v) Other restorative practices.

(2) To receive funding under this section, a district or intermediate district must apply in a form and manner prescribed by the department.

(3) If funding under this section is insufficient to fulfill all funding requests by districts or intermediate districts under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 97k. (1) From the state school aid fund money appropriated in section 11, there is allocated \$100,000.00 for 2023-2024 only to a district to utilize on the Student Advocacy Center of Michigan to support its statewide helpline for families in educational crisis.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 97l. (1) From the state school aid fund money appropriated in section 11, there is allocated \$250,000.00 for 2023-2024 only to the Dearborn City School District to support a cybersecurity certificate program.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023~~ **2023-2024** for the purposes described in this section. It is the intent of the legislature that, for ~~2023-2024~~ **2024-2025**, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be ~~\$7,500,000.00~~ **\$8,000,000.00**. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each fiscal year for which funding is allocated under this section that includes its mission, its plans, and proposed benchmarks it must meet, including a plan to achieve the organizational priorities identified in this section, in order to receive full funding for the next fiscal year for which funding is allocated under this section. Not later than March 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning Research Institute shall do all of the following:

- (a) Support and accelerate innovation in education through the following activities:
 - (i) Test, evaluate, and recommend as appropriate new technology-based instructional tools and resources.
 - (ii) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(iii) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(iv) Based on pupil completion and performance data reported to the department or the center from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research Institute shall submit the report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts not later than March 31 of each fiscal year for which funding is allocated under this section.

(v) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM council described in section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state, **including professional development for employees in child care facilities, early childhood facilities, and after-school programs**. Not later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report must also include both of the following:

(A) The identification of barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(B) A link to, and explanation of, the Michigan Virtual University's online course standards for professional development programming. The standards described in this sub-subparagraph must inform learners how to file a complaint about course content and detail the steps that will be taken for the review and resolution of complaints.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(viii) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(ix) Provide an internet-based platform that educators can use to create student-centric learning tools and resources for sharing in the state's open educational resource repository and facilitate a user network that assists educators in using the content creation platform and state repository for open educational resources. As part of this initiative, the Michigan Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's ~~K-12~~ **K to 12** curriculum standards for use by students, educators, and parents.

(x) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning

Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog must also contain all of the following:

- (A) The number of enrollments in each virtual course in the immediately preceding school year.
 - (B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.
 - (C) The pass rate for each virtual course.
 - (xi) Support registration, payment services, and transcript functionality for the statewide catalog and train key stakeholders on how to use new features.
 - (xii) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.
 - (xiii) Provide a report on the activities of the Michigan Virtual Learning Research Institute.
- (3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:
- (a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.
 - (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.
 - (c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a school district under those sections.
 - (4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to support the expansion of new online and blended educator professional development programs.
 - (5) If the course offerings are included in the statewide catalog of virtual courses under subsection (2)(b)(x), the Michigan Virtual School operated by the Michigan Virtual University may offer virtual course offerings, including, but not limited to, all of the following:
 - (a) Information technology courses.
 - (b) College level equivalent courses, as that term is defined in section 1471 of the revised school code, MCL 380.1471.
 - (c) Courses and dual enrollment opportunities.
 - (d) Programs and services for at-risk pupils.
 - (e) High school equivalency test preparation courses for adjudicated youth.
 - (f) Special interest courses.
 - (g) Professional development programs for teachers, school administrators, other school employees, and school board members.
 - (6) If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.
 - (7) Not later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding fiscal year:
 - (a) A list of the districts served by the Michigan Virtual School.
 - (b) A list of virtual course titles available to districts.
 - (c) The total number of virtual course enrollments and information on registrations and completions by course.
 - (d) The overall course completion rate percentage.

(8) In addition to the information listed in subsection (7), the report under subsection (7) must also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2)(b)(ix).

(9) The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025.

(10) Not later than November 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. Not later than March 1 each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(11) As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment in which the majority of the curriculum is delivered using the internet and in which pupils are separated from their instructor or teacher of record by time or location, or both.

Sec. 98d. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$5,000,000.00 to Northern Michigan University to support the MLC as described in this section. Northern Michigan University shall not retain any portion of the funding received under this section for administrative purposes and shall provide funding to support the MLC. All of the following apply to the MLC:

(a) The MLC must expand literacy programming over the air, online, and in communities that is aligned with this state's pre-K to 12 educational standards.

(b) The MLC shall provide over the air broadcasts 24 hours each day for 7 days each week of quality instructional content that is aligned with this state's pre-K to 12 educational standards. Over-the-air broadcasts as described in this subdivision must be streamed live and must be archived for on-demand viewing on a companion website, along with additional learning materials relevant to lessons.

(c) The MLC must be managed and operated by DPTV, and DPTV shall assume all risk, liability, and responsibility for the MLC in accordance with regulations by the United States Federal Communications Commission, PBS broadcast standards, and standard nonprofit business standards. DPTV shall serve as the fiduciary agent and service manager for the MLC. The MLC shall originate from a central operations center that is responsible for providing the infrastructure, content, and engagement of the MLC in partnership with this state's educational leadership organizations.

(d) The MLC shall require that DPTV provide technology, funding, staff training, and central management of the MLC to station partners to insert additional channels into each station's broadcast streams and to support staffing and engagement as outlined in a memorandum of understanding among the stations.

(e) The MLC shall require that DPTV partner with at least 5 other Michigan public television stations, including, but not limited to, WKAR, WGTV, WDCQ, WCMU, and WNMU, to deliver the over-the-air MLC broadcasts described in this section and to support engagement with local educators. Stations described in this subdivision must be able to use the infrastructure provided by the MLC to develop their own local content that best serves their communities.

(f) The MLC shall not use the funds received from Northern Michigan University under this section in support of the MLC for any purposes fully funded by the governor's emergency education relief fund grant.

(2) Not later than February 1, 2024, the MLC shall provide a report to the house and senate appropriations subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director detailing the MLC's compliance with ensuring that conditions listed under subsection (1) were met.

(3) Notwithstanding section 17b, the department shall make payments under this section not later than December 1, 2023.

(4) As used in this section:

(a) "DPTV" means Detroit Public Television.

(b) "MLC" means the Michigan Learning Channel.

Sec. 99a. (1) From the general fund money appropriated in section 11, \$100,000.00 is allocated for 2023-2024 only to Heroes Circle to expand programming to aid children with social-emotional learning.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for 2023-2024 only to a district to develop and implement teacher professional development programs for computer science and computational thinking courses and content.

(2) Funding received under subsection (1) may be used only for the following purposes:

(a) High-quality professional learning for K to 12 computer science content. The costs associated with professional learning as described in this subdivision include, but are not limited to, travel to workshops. As used in this subdivision, "high-quality professional learning" means learning that is sustained, intensive, collaborative, job embedded, data driven, and classroom focused.

(b) Supports for K to 12 computer science professional learning, including, but not limited to, mentoring and coaching.

(c) Creation of resources to support implementation.

(d) Professional learning offerings that identify strategies to include underrepresented groups.

(e) Participation in the Strategic CSforALL Resource and Implementation Planning Tool (SCRIPT) process with a trained facilitator of this state.

(3) To be eligible to receive funding under this section, a district must apply for funding in a form and manner prescribed by the department. The application must, at a minimum, address how the district will do all of the following:

(a) Reach new and existing teachers with little to no computer science background.

(b) Use research- or evidence-based practices for high-quality professional development.

(c) Focus the professional learning on the mastery of all areas of computer science standards as approved by the state board of education in 2019.

(d) Reach and support marginalized racial and ethnic groups underrepresented in computer science.

(e) Provide teachers with concrete experience with hands-on, inquiry-based practices.

(f) Accommodate the particular teacher and student needs in each district and school.

(g) Ensure that participating districts shall begin offering the courses or content within the same or next school year after the teacher receives the professional learning.

(h) Commit to completing the SCRIPT process.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to support computer science implementation. The estimated completion date of the work project is September 30, 2025.

(5) A district that receives funding under this section shall submit a report to the department by June 30, 2024. The report must include all of the following:

(a) The number of teachers prepared.

(b) Students reached, including the number and percentage of students reached disaggregated by gender, race, ethnicity, and socioeconomic status.

(c) The number and percentage of students with passing AP exam scores for high school AP courses, by gender, race, and ethnicity, once that data is available.

(d) The number of teachers that started implementing computer science compared to the number of prepared teachers that attended professional learning.

(e) The number of elementary students who are provided integrated computer science opportunities.

- (f) Progress in building a systematic K to 12 computer science plan using the SCRIPT rubric.
- (g) Any agreements to provide preassessments and postassessments of teacher readiness for teaching computational thinking and computer science and any data related to those assessments.
- (6) The department shall make the report submitted under subsection (5) available on a publicly accessible website.

Sec. 99d. From the state school aid fund money appropriated in section 11, there is allocated \$6,000,000.00 for 2023-2024 only to districts to do both of the following:

(a) Develop and implement plans for professional learning concerning the teaching of the fullness of American history, including, but not limited to, the teaching of the history of communities of color and other marginalized communities, the teaching of local history, and the teaching of cultural competency.

(b) Purchase books and other educational resources for educators and students to support the goal of teaching every middle school and high school student American history that reflects the diversity of this state, including, but not limited to, the teaching of the history of communities of color and other marginalized communities.

Sec. 99e. (1) From the state school aid fund money appropriated in section 11, there is allocated \$2,000,000.00 for 2023-2024 only to Wayne RESA to partner with an eligible nonprofit organization to support delivery of high-dosage neighborhood-based tutoring and direct noninstructional services for at-risk pupils who are 3 to 12 years of age. Funding under this section is intended to ensure all of the following:

- (a) That pupils are proficient in English language arts by the end of grade 3.
- (b) That pupils are proficient in mathematics by the end of grade 8.
- (c) That all participants are kindergarten ready, and that pupils are prepared to attend school regularly.

(2) Funding under this section is intended to support communities in meeting service gaps for children who are unable to access 21st Century Community Learning Centers programs due to transportation barriers.

(3) Recipients under this section must forward an amount equal to the amount awarded under this section to contract with an eligible nonprofit organization. A nonprofit organization is eligible under this section if it meets all of the following:

- (a) It operates in Detroit.
- (b) It employs a community model that includes all of the following:
 - (i) Evaluation of a kid success-ready neighborhood.
 - (ii) Invitation of community input.
 - (iii) Renovation of a house in the neighborhood.
 - (iv) Holding goal-setting meetings with the family of each participating child.
 - (v) Partnership with organizations to collect data and facilitate a rigorous evaluation.
- (c) It has the capacity to show evidence of improvements.
- (d) It has systems to support early learning and K-3 school referrals.
- (e) It has an understanding of assessments and growth measures used in this state.
- (4) Funding under this section must be spent on staffing to support delivery of support and wraparound services. Funding must not supplant early learning or K-3 program staff.

(5) As used in this section, "at-risk pupil" means that term as defined under section 31a.

Sec. 99f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$4,000,000.00 to compensate an eligible district for residual costs associated with the collapse of a high school roof.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(3) As used in this section, "eligible district" means a district that demonstrates to the department that a roof collapsed in June of 2019 at a high school operated by the district.

Sec. 99g. (1) From the state school aid fund money appropriated in section 11, there is allocated \$1,000,000.00 for 2023-2024 only to districts for the purposes under this section.

(2) The department shall award funding under this section to districts in urban, suburban, and rural areas in this state and shall award funding as follows:

- (a) To at least 3 districts that are located in Wayne County that must include Detroit Public School Community District, 1 suburban district, and 1 rural district.
- (b) To at least 1 district located in Eaton County.
- (c) To at least 1 district located in Grand Traverse County.
- (d) To at least 1 district located in Kent County.

(e) To at least 1 district located in Macomb County.

(f) To at least 1 district located in Marquette County.

(g) After the awards under subdivisions (a) to (f), to districts across this state to achieve a representative distribution of urban, suburban, and rural districts.

(3) A district that receives funding under this section shall use the funding to provide, upon request from eligible students, feminine hygiene products at no cost to eligible students enrolled in the district. From the funding allocated under this section, each eligible student must receive, at a minimum, 20 tampons or menstrual pads each month for the school year.

(4) As used in this section:

(a) “At-risk pupil” means that term as defined in section 31a.

(b) “Eligible student” means a student who is an at-risk pupil.

Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,223,200.00~~ **\$5,973,200.00** for 2022–2023–~~2023–2024~~ for competitive grants to districts and intermediate districts, and from the general fund money appropriated in section 11, there is allocated ~~\$600,000.00~~ **\$600,000.00** for 2022–2023–~~2023–2024~~ for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in competitions hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) Robotics, including JR–FIRST–Lego–League, FIRST Lego League - **Discover, Explore, and Challenge**, FIRST Tech challenge, and FIRST Robotics competition, or other competitive robotics programs or equipment vendors, including VEX, Square One, and those hosted by the Robotics Education and Competition (REC) Foundation. ~~It is the intent of the legislature that, for 2023–2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,723,200.00. It is the intent of the legislature that, for 2024–2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,723,200.00.~~ Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, the department shall make grant payments to districts, nonpublic schools, and intermediate districts under this section on a schedule determined by the department. The department shall set maximum grant awards for each different level of programming and competition in a manner that both maximizes the number of teams that will be able to receive funds and expands the geographical distribution of teams. **Districts and intermediate districts that receive funds under this section must provide relevant student participation information, as determined by the department, to program and competition providers described in this section. For a district or intermediate district to count a program competition provider for purposes of payments under this section, the program and competition providers must agree to aggregate data received by districts and intermediate districts and provide this information to the department in a form and manner determined by the department.**

(2) The department shall do all of the following for purposes of this section:

(a) Both of the following by not later than 60 days after the K to 12 appropriations bill for the current fiscal year is enacted into law or October 1 of the current fiscal year, whichever is later:

(i) Open applications for funding under this section to all districts, nonpublic schools, and intermediate districts.

(ii) Publish a list of approved programs and vendors for purposes of this section in a manner that is accessible to all applicants. To obtain approval under this subparagraph, a program or vendor must ~~do both of the following:~~

(A) ~~Submit~~ **submit** to the department registration information, including any fees; pledge that it will post this information on its website; and, by not later than January 1, 2023, and January 1 each year thereafter, **of the current fiscal year**, submit this information to the department for publication on the department’s website.

(B) ~~Pledge that it will not require a payment of any team described in this section, including, but not limited to, registration fees, if the team does not receive a grant under this section.~~

(b) By not later than ~~30–60~~ days after applications are opened as described in subdivision (a), close applications under this section.

(c) By not later than 60 days after applications are closed as described in subdivision (b), make all determinations concerning funding under this section.

(d) By not later than July 1, 2023, and ~~by not later than July 1 each year thereafter, of the current fiscal year~~, publish a document listing the requirements for becoming an approved program or vendor under subdivision (a).

(3) Except as otherwise provided under this subsection, if funding under this section is insufficient to fulfill all funding requests by qualified applicants under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants. However, for funding under this section toward grants under subsection (5)(b), in its proration under this subsection, the department shall ensure that each district is paid in an amount equal to the percentage the department would have paid the district in grant funding under subsection (5)(b), but for proration under this subsection, with no district receiving a grant under subsection (5)(b) in an amount that is greater than the district's total accrued costs under subsection (5)(b).

(4) A district, nonpublic school, or intermediate district applying for a grant under this section must submit an application in a form and manner prescribed by the department. To be eligible for a grant, a district, nonpublic school, or intermediate district must demonstrate in its application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, or technical school, shall submit a spending plan, and shall provide a local in-kind or cash match from other private or local funds of at least 25% of the cost of the robotics program award.

(5) The department shall distribute the grant funding under this section for the following purposes:

(a) Grants to districts, nonpublic schools, or intermediate districts to pay for stipends not to exceed \$1,500.00 per building for coaching.

(b) Grants to districts, nonpublic schools, or intermediate districts for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

~~(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support of programs under this section. The estimated completion date of the work project is September 30, 2024.~~

~~(6) (7)-A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.~~

~~(7) (8)-To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.~~

~~(8) (9)-For purposes of this section, an approved program or vendor under this section that provides a program under this section shall not work with the department to set prices or policies for the program.~~

~~(9) (40)-As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.~~

Sec. 99m. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$450,000.00 to Shiawassee Regional ESD to support the construction of a career technical education center for students enrolled in the constituent districts.

(2) As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99n. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$6,000,000.00 to Ingham County Intermediate School District to support the construction of a career technical education center for students enrolled in the constituent districts.

(2) As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99s. (1) From state school aid fund money appropriated under section 11, there is allocated for 2022-2023-2023-2024 an amount not to exceed \$7,634,300.00 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments, to increase the number of pupils who are college- and career-ready upon high school graduation, and to promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(2) The MiSTEM council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(3) The MiSTEM council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program approved by the MiSTEM council. All of the following apply:

(a) To be eligible for MiSTEM council approval as described in this subsection, a program must satisfy all of the following:

(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(b) The MiSTEM council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional learning experiences for the programs on the list of approved programs.

(d) If the MiSTEM council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM council shall work with the department of labor and economic opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

(4) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section for ~~2022-2023~~ **2023-2024** as recommended by the MiSTEM council.

(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed \$3,834,300.00 for ~~2022-2023~~ **2023-2024** to support the activities and programs of the MiSTEM network regions. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region \$200,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional learning opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM council and the department of labor and economic opportunity.

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional learning.

(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.

(7) From the state school aid fund money allocated under subsection (1), the department shall distribute for ~~2022-2023~~ **2023-2024** an amount not to exceed \$750,000.00, in a form and manner determined by the department, to those network regions able to further the statewide STEM strategy recommended by the MiSTEM council.

(8) In order to receive state or federal funds under subsection (5) or (7), or to receive funds from private sources as authorized under subsection (1), a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(9) In order to receive state funds under subsection (5) or (7), a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(10) Not later than July 1 of each fiscal year for which funding is allocated under this section, a MiSTEM network region that receives funds under subsection (5) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(12) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

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

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

(e) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed ~~\$3,000,000.00~~ **\$2,000,000.00** for ~~2022-2023~~ **2023-2024** only to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not more than 19,000,000 according to the most recent decennial census and is offered in that state in partnership with a public university.

(2) The department shall purchase the online algebra tool that was chosen under this section in 2016-2017.

(3) A grantee receiving funding under this section shall comply with the requirements of section 19b.

Sec. 99u. (1) ~~From the general fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$6,000,000.00 to a provider that is a provider of both of the following:~~

~~(a) An online mathematics tool that meets all of the following:~~

~~(i) Provides students statewide with complete access to mathematics support aligned with state standards through a program that has all of the following elements:~~

~~(A) Student motivation.~~

~~(B) Valid and reliable assessments.~~

~~(C) Personalized learning pathways.~~

~~(D) Highly qualified, live teachers available all day and all year.~~

~~(E) Twenty-four-hour reporting.~~

(F) Content built for rigorous mathematics.

(ii) Has a record of improving student mathematics scores in at least 5 other states.

(iii) Received funding under this section in 2017-2018.

(b) A program that provides explicit, targeted literacy instruction within an individualized learning path that continually adjusts to a pupil's needs. A program described in this subdivision that is funded under this subsection must be funded through a grant to a provider described in this subsection that also promotes literacy through the teaching of critical language and literacy concepts, such as reading and listening comprehension, basic vocabulary, academic language, grammar, phonological awareness, phonics, and fluency.

(2) A grantee that receives funding under this section shall comply with the requirements of section 19b.

(3) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1 of each fiscal year for which funding is allocated under this section.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$6,000,000.00 for 2023-2024 only to districts to access an online mathematics and literacy tool.

(2) Funding received under subsection (1) may be used only for the following purposes:

(a) A mathematics tool that meets all of the following:

(i) Student motivation contests to encourage engagement and external motivation.

(ii) Reporting aligned to a national measurement scale to track progress for each student.

(iii) Age-appropriate targeted math instruction that is online, adaptive, and has academically rigorous math concepts.

(iv) Access to on-demand, live certified math teachers who must be available to students for a minimum of 40 hours a week during nonholiday weeks.

(v) Provide academic language development in math through multiple strategic scaffolding and journaling opportunities.

(vi) Received funding under this section in 2022-2023.

(b) A literacy tool that meets all of the following:

(i) Incorporates systematic and explicit instruction in the following 5 key areas of literacy:

(A) Phonics.

(B) Phonemic awareness.

(C) Fluency.

(D) Vocabulary.

(E) Comprehension.

(ii) Provides opportunities for speech recognition.

(iii) Develops academic vocabulary.

(iv) Provides first language support in at least 10 prevalent languages spoken by English language learner students.

(v) Received funding under this section in 2022-2023.

(3) To be eligible to receive funding under this section, a district must apply for funding through an easy-to-use 1-page application prescribed by the department. Districts using the tool under this section during 2022-2023 are automatically eligible for funding under this section.

(4) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide more personalized and adaptive tools for students with an emphasis on including English language learners. The estimated completion date of the work project is September 30, 2025.

(5) A district that receives funding under this section or the operator of the online tool obtained by the school district receiving funding under this section shall submit a report to the department by August 1, 2024. The report must include all of the following:

(a) The number of students enrolled in the program.

(b) A list of schools that participated in the program.

(c) The total number of lessons completed by students.

(d) A valid reliable growth metric that demonstrates student progress.

(6) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1 of each fiscal year for which funding is allocated under this section.

Sec. 99x. (1) From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$20,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for, subject to subsection (2), Teach for America to lead and support teacher recruitment, training, development, and retention efforts for high-performing educators in at-risk schools in this state,

which includes, but is not limited to, the operation of educator fellowship programs in at least 3 regions in this state, including rural regions; the provision of support to educator-led innovation in this state; and investment in a broad educator workforce campaign to recruit and retain high-performing educators and educator candidates in this state.

(2) Teach for America must have recruited or invested in the retention and development of 100 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the first \$10,000,000.00 of the funding allocated under this section. Teach for America must have recruited or invested in the retention and development of a total of 450 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the remaining \$10,000,000.00 of the funding allocated under this section.

(3) Teach for America shall engage with an external evaluator and produce semi-annual reports to the legislature that provide information concerning the recruitment, development, and retention of high-performing educators that can be scaled or shared with other similar programs.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The department shall not make payments under this section on a reimbursement basis.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to provide support to Teach for America as prescribed in this section. The estimated completion date of the work project is December 31, 2026.

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

(1) From the state school aid fund money appropriated under section 11, there is allocated \$5,000,000.00 for 2023-2024 only to Kentwood Public Schools to support Teach For America's statewide TeachMichigan initiative. Funding under this section must be used to support operating costs associated with TeachMichigan, including teacher recruitment, retention, development, innovation, and evaluation costs. To be eligible for these funds, Kentwood Public Schools must determine that the TeachMichigan initiative is on track to reach at least 200 educators working in at least 5 distinct regions across the state, by the start of the 2024-2025 school year. Kentwood Public Schools must forward an amount equal to the amount awarded under this section to Teach For America, and is not responsible for monitoring, evaluating, or any other delivery or oversight of the TeachMichigan initiative.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99aa. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00 for 2022-2023-2023-2024 only to 1 eligible intermediate district to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.

(2) An intermediate district that has partnered with Project SEARCH to provide the opportunities described in subsection (1) is an eligible intermediate district under this section.

(3) The funds allocated under this section for 2022-2023-2023-2024 are a work project appropriation, and any unexpended funds for 2022-2023-2023-2024 are carried forward into 2023-2024-2024-2025. The purpose of the work project is to provide for the continuation of opportunities for high school students with disabilities as described in subsection (1). The estimated completion date of the work project is September 30, 2024-2025.

Sec. 99ee. (1) From the general state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00-~~\$6,500,000.00~~ for 2022-2023-2023-2024 only to Wayne RESA for the provision of programming, at-in partnership with a nonprofit organization that teaches, mentors, and supports academically ambitious first-generation Hispanic high school and college students in under-resourced Hispanic communities in this state, is tax-exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that provides academic and career support programs and services, to help more Hispanic students to graduate from college. A recipient of district that receives funds under this section must have contract with a nonprofit organization for purposes of this section that received state funds for this purpose purposes described in this section in the immediately preceding fiscal year.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99ff. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for 2023-2024 only for Wayne RESA, in collaboration with Junior Achievement, to

create curricula, educational programs, and professional development for each district, intermediate district, and the Michigan Schools for the Deaf and Blind to support the implementation of the personal finance high school graduation requirements under section 1278a of the revised school code, MCL 380.1278a.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99gg. (1) From the state school aid fund money appropriated in section 11, there is allocated \$10,000,000.00 for 2023-2024 only to Detroit Public Schools Community District as provided in this section. With the funding allocated under this section, Detroit Public Schools Community District shall partner with 1 community-based organization that provides before- and after-school programs for children in southeast Michigan to support existing programming for that organization and expand locations where that organization can offer programming.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99hh. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$3,000,000.00 for 2023-2024 only for Wayne RESA to partner with a nonprofit entity to support student success coach AmeriCorps service members to provide academic interventions in mathematics and English language arts and social-emotional support to students enrolled in grades K to 12 in a community district.

(2) A district that receives funding under this section must use the funds to deploy student success coach AmeriCorps service members to, at a minimum, 8 schools within the district. Student success coaches described in this subsection shall do all of the following:

(a) Provide small-group intervention support in mathematics and English language arts to at-risk students for 10 months. For purposes of this subdivision, students must be selected based on academic diagnostic data and be placed on a focus list for year-round support.

(b) Provide whole school, whole child support to partner schools in the district.

(c) Provide social-emotional support to a subset of focus-list students for 10 months. For purposes of this subdivision, students must be selected based on district behavior and climate or culture data and placed on a focus list for year-round support.

(d) Provide individualized attendance support to improve daily attendance rates for 10 months. For purposes of this subdivision, students must be selected based on district attendance data and placed on a focus list for year-round support.

(3) A district receiving funding under this section must provide all of the following for student success coaches:

(a) Evidence-based training in TRAILS, Mental Health First Aid, Magnetic Reading, LETRS, and other relevant training necessary to implement academic, social, and attendance strategies.

(b) Ongoing career development training and coaching, including support with applying to teacher preparation programs, school social work preparation programs, and guidance counseling preparation programs.

(4) By not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each recipient district under this section that includes measurable outcomes based on the objectives described in this section and a summary of compiled data from each recipient district in order to evaluate the effectiveness of the project. The center shall submit the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

Sec. 99ii. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only \$250,000.00 to Wayne-Westland Community School District for the purposes under this section.

(2) Wayne-Westland Community School District shall establish a pilot grant program for K to 12 eligible students to attend driver's training programs. The department shall establish and provide to Wayne-Westland Community School District guidelines concerning the pilot grant program described in this section.

(3) Wayne-Westland Community School District shall issue a report to the department, on an annual basis, that provides the number of students eligible for a grant under this section, how many students have attended and successfully completed a driver's training program described in this section, and the average cost, per student, of participation in a driver's training program described in this section.

(4) The department shall create a report that summarizes the success of the program established under subsection (2) and publish that report on its public website.

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support the pilot program described in this section for the provision of grants to students to attend driver's training programs. The estimated completion date of the work project is September 30, 2026.

(6) As used in this section, "eligible student" means a student to whom both of the following apply:

(a) Lives in a household that has an income at or below 180% of the federal poverty guidelines. As used in this subdivision, "federal poverty guidelines" means that term as used in section 32d.

(b) Is enrolled in either of the following districts:

(i) Wayne-Westland Community School District.

(ii) A district contiguous to Wayne-Westland Community School District.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99jj. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only \$250,000.00 to Dearborn City School District in partnership with the Amity Foundation for the purposes under this section.

(2) Dearborn City School District shall establish a pilot grant program for K to 12 eligible students to attend driver's training programs. The department shall establish and provide to Dearborn City School District guidelines concerning the pilot grant program described in this section.

(3) Dearborn City School District shall issue a report to the department, on an annual basis, that provides the number of students eligible for a grant under this section, how many students have attended and successfully completed a driver's training program described in this section, and the average cost, per student, of participation in a driver's training program described in this section.

(4) The department shall create a report that summarizes the success of the program established under subsection (2) and publish that report on its public website.

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support the pilot program described in this section for the provision of grants to students to attend driver's training programs. The estimated completion date of the work project is September 30, 2026.

(6) As used in this section, "eligible student" means a student to whom both of the following apply:

(a) Lives in a household that has an income at or below 180% of the federal poverty guidelines. As used in this subdivision, "federal poverty guidelines" means that term as used in section 32d.

(b) Is enrolled in either of the following districts:

(i) Dearborn City School District.

(ii) A district contiguous to Dearborn City School District.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99kk. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for 2023-2024 only to a district or intermediate district as provided in this section. With the funding allocated under this section, the district or intermediate district shall partner with a community-based organization that provides before- and after-school programs for children in this state to support existing programming for that organization and expand locations where that organization can offer programming.

(2) From the funds allocated in subsection (1), an amount not to exceed \$750,000.00 shall be used to support the Seidman Center in southeast Grand Rapids.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99ll. (1) From the state school aid fund money appropriated in section 11, \$500,000.00 is allocated for 2023-2024 only to Eastpointe Community Schools for the construction of a swimming pool.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit and certify to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance, including identification of tuition-paying pupils, in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year shall submit and certify to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance

in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the sixth Wednesday after the pupil membership count day and not later than the sixth Wednesday after the supplemental count day, the district shall resolve any pupil membership conflicts with another district, correct any data issues, and recertify the data in a form and manner prescribed by the center and file the certified data with the intermediate superintendent. If a district fails to submit and certify the attendance data, as required under this subsection, the center shall notify the department and the department shall withhold state aid due to be distributed under this article from the defaulting district immediately, beginning with the next payment after the failure and continuing with each payment until the district complies with this subsection. If a district does not comply with this subsection by the end of the fiscal year, the district forfeits the amount withheld. A person who willfully falsifies a figure or statement in the certified and sworn copy of enrollment is subject to penalty as prescribed by section 161.

(2) To be eligible to receive state aid under this article, not later than the twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-fourth Wednesday after the supplemental count day, an intermediate district shall submit to the center, in a form and manner prescribed by the center, the audited enrollment and attendance data as described in subsection (1) for the pupils of its constituent districts and of the intermediate district. If an intermediate district fails to submit the audited data as required under this subsection, the department shall withhold state aid due to be distributed under this article from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If an intermediate district does not comply with this subsection by the end of the fiscal year, the intermediate district forfeits the amount withheld.

(3) Except as otherwise provided in subsections (11) and (12) all of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours and 180 days of pupil instruction. If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of June 24, 2014, and if that school calendar is not in compliance with this subdivision, then this subdivision does not apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) from the requirements of this subdivision.

(b) Except as otherwise provided in this article, a district failing to comply with the required minimum hours and days of pupil instruction under this subsection forfeits from its total state aid allocation an amount determined by applying a ratio of the number of hours or days the district was in noncompliance in relation to the required minimum number of hours and days under this subsection. Not later than the first business day in August, the board of each district shall either certify to the department that the district was in full compliance with this section regarding the number of hours and days of pupil instruction in the previous school year, or report to the department, in a form and manner prescribed by the center, each instance of noncompliance. If the district did not provide at least the required minimum number of hours and days of pupil instruction under this subsection, the department shall make the deduction of state aid in the following fiscal year from the first payment of state school aid. A district is not subject to forfeiture of funds under this subsection for a fiscal year in which a forfeiture was already imposed under subsection (6).

(c) Hours or days lost because of strikes or teachers' conferences are not counted as hours or days of pupil instruction.

(d) Except as otherwise provided in subdivisions (e) and (f), if a district does not have at least 75% of the district's membership in attendance on any day of pupil instruction, the department shall pay the district state aid in that proportion of 1/180 that the actual percent of attendance bears to 75%.

(e) If a district adds 1 or more days of pupil instruction to the end of its instructional calendar for a school year to comply with subdivision (a) because the district otherwise would fail to provide the required minimum number of days of pupil instruction even after the operation of subsection (4) due to conditions not within the control of school authorities, then subdivision (d) does not apply for any day of pupil instruction that is added to the end of the instructional calendar. Instead, for any of those days, if the district does not have at least 60% of the district's membership in attendance on that day, the department shall pay the district state aid in that proportion of 1/180 that the actual percentage of attendance bears to 60%. For any day of pupil instruction added to the instructional calendar as described in this subdivision, the district shall report to the department the percentage of the district's membership that is in attendance, in the form and manner prescribed by the department.

(f) At the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver from the requirements of subdivision (d). The waiver must provide that an eligible district is subject to the prorated provisions of subdivision (d) only if the district does not have at least 50% of the district's membership in attendance on any day of pupil instruction. In order to be eligible for this waiver, a district must maintain records to substantiate its compliance with the following requirements:

(i) The district offers the minimum hours of pupil instruction as required under this section.

(ii) For each enrolled pupil, the district uses appropriate academic assessments to develop an individual education plan that leads to a high school diploma.

(iii) The district tests each pupil to determine academic progress at regular intervals and records the results of those tests in that pupil's individual education plan.

(g) All of the following apply to a waiver granted under subdivision (f):

(i) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(ii) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil participates in the educational program for at least 1,098 hours during a school year, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(iii) A waiver that is not a waiver described in subparagraph (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of the 3-year period to remain in effect.

(h) The superintendent shall promulgate rules for the implementation of this subsection.

(4) All of the following apply to the counting of days and hours of pupil instruction under this section:

(a) Except as otherwise provided in this subsection, the first 6 days or the equivalent number of hours for which pupil instruction is not provided because of conditions not within the control of school authorities, such as severe storms, fires, epidemics, utility power unavailability, water or sewer failure, or health conditions as defined by the city, county, or state health authorities, are counted as hours and days of pupil instruction.

(b) With the approval of the superintendent of public instruction, the department shall count as hours and days of pupil instruction for a fiscal year not more than 3 additional days or the equivalent number of additional hours for which pupil instruction is not provided in a district due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities such as those conditions described in this subsection. ~~Subsequent such hours or days are not counted as hours or days of pupil instruction.~~

(c) A district that counts hours or days of professional development for teachers as hours or days of pupil instruction, as provided under subsection (10), is eligible to have additional hours or days counted as hours and days of pupil instruction as provided under subdivision (b) to the same extent as a district that does not count hours or days of professional development for teachers as hours or days of pupil instruction.

(d) In deciding whether or not to approve the counting of additional hours or days of pupil instruction under subdivision (b) for a district, the superintendent of public instruction shall not take into account whether or not the district counts hours or days of professional development for teachers as hours or days of pupil instruction, as provided under subsection (10).

(e) Subsequent hours or days beyond those described in subdivisions (a) and (b) are not counted as hours or days of pupil instruction.

(5) A district does not forfeit part of its state aid appropriation because it adopts or has in existence an alternative scheduling program for pupils in kindergarten if the program provides at least the number of hours required under subsection (3) for a full-time equated membership for a pupil in kindergarten as provided under section 6(4).

(6) In addition to any other penalty or forfeiture under this section, if at any time the department determines that 1 or more of the following have occurred in a district, the district forfeits in the current fiscal year beginning in the next payment to be calculated by the department a proportion of the funds due to the district under this article that is equal to the proportion below the required minimum number of hours and days of pupil instruction under subsection (3), as specified in the following:

(a) The district fails to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(b) The board of the district takes formal action not to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(7) In providing the minimum number of hours and days of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines:

(a) Except as otherwise provided in this subsection, a pupil must be scheduled for at least the required minimum number of hours of instruction, excluding study halls, or at least the sum of 90 hours plus the required minimum number of hours of instruction, including up to 2 study halls.

(b) The time a pupil is assigned to any tutorial activity in a block schedule may be considered instructional time, unless that time is determined in an audit to be a study hall period.

(c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for whom a reduced schedule is determined to be in the individual pupil's best educational interest must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades 9 to 12 who is scheduled in a 4-block schedule may receive a reduced schedule under this subsection if the pupil is scheduled for a number of hours equal to at least 75% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program or a special education pupil cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, is considered to be pupil instruction time for the purpose of determining whether the pupil is receiving the required minimum number of hours of pupil instruction. However, if a district demonstrates to the satisfaction of the department that the travel time limitation under this subdivision would create undue costs or hardship to the district, the department may consider more travel time to be pupil instruction time for this purpose.

(e) In grades 7 through 12, instructional time that is part of a Junior Reserve Officer Training Corps (JROTC) program is considered to be pupil instruction time regardless of whether the instructor is a certificated teacher if all of the following are met:

(i) The instructor has met all of the requirements established by the United States Department of Defense and the applicable branch of the armed services for serving as an instructor in the Junior Reserve Officer Training Corps program.

(ii) The board of the district or intermediate district employing or assigning the instructor complies with the requirements of sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with respect to the instructor to the same extent as if employing the instructor as a regular classroom teacher.

(8) Except as otherwise provided in subsections (11) and (12), the department shall apply the guidelines under subsection (7) in calculating the full-time equivalency of pupils.

(9) Upon application by the district for a particular fiscal year, the superintendent shall waive for a district the minimum number of hours and days of pupil instruction requirement of subsection (3) for a department-approved alternative education program or another innovative program approved by the department, including a 4-day school week. If a district applies for and receives a waiver under this subsection and complies with the terms of the waiver, the district is not subject to forfeiture under this section for the specific program covered by the waiver. If the district does not comply with the terms of the waiver, the amount of the forfeiture is calculated based upon a comparison of the number of hours and days of pupil instruction actually provided to the minimum number of hours and days of pupil instruction required under subsection (3). A district shall report pupils enrolled in a department-approved alternative education program under this subsection to the center in a form and manner determined by the center. All of the following apply to a waiver granted under this subsection:

(a) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(b) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil is on track for course completion at proficiency level, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(c) A waiver that is not a waiver described in subdivision (a) or (b) is valid for 3 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of the 3-year period to remain in effect.

(10) A district may count up to 38 hours of professional development for teachers as hours of pupil instruction. All of the following apply to the counting of professional development as pupil instruction under this subsection:

(a) If the professional development exceeds 5 hours in a single day, that day may be counted as a day of pupil instruction.

(b) At least 8 hours of the professional development counted as hours of pupil instruction under this subsection must be recommended by a districtwide professional development advisory committee appointed by the district board. The advisory committee must be composed of teachers employed by the district who represent a variety of grades and subject matter specializations, including special education; nonteaching staff; parents; and administrators. The majority membership of the committee must be composed of teaching staff.

(c) Professional development provided online is allowable and encouraged, as long as the instruction has been approved by the district. The department shall issue a list of approved online professional development providers that must include the Michigan Virtual School.

(d) Professional development may only be counted as hours of pupil instruction under this subsection for the pupils of those teachers scheduled to participate in the professional development.

(e) The professional development must meet all of the following to be counted as pupil instruction under this subsection:

(i) Be aligned to the school or district improvement plan for the school or district in which the professional development is being provided.

(ii) Be linked to 1 or more criteria in the evaluation tool developed or adopted by the district or intermediate district under section 1249 of the revised school code, MCL 380.1249.

(iii) Has been approved by the department as counting for state continuing education clock hours. The number of hours of professional development counted as hours of pupil instruction under this subsection may not exceed the number of state continuing education clock hours for which the professional development was approved.

(iv) Not more than a combined total of 10 hours of the professional development takes place before the first scheduled day of school for the school year ending in the fiscal year and after the last scheduled day of school for that school year.

(v) Not more than 10 hours of the professional development takes place in a single month.

(vi) At least 75% of teachers scheduled to participate in the professional development are in attendance.

(11) Subsections (3) and (8) do not apply to a school of excellence that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(12) Subsections (3) and (8) do not apply to eligible pupils enrolled in a dropout recovery program that meets the requirements of section 23a. As used in this subsection, “eligible pupil” means that term as defined in section 23a.

(13) At least every 2 years the superintendent shall review the waiver standards set forth in the pupil accounting and auditing manuals to ensure that the waiver standards and waiver process continue to be appropriate and responsive to changing trends in online learning. The superintendent shall solicit and consider input from stakeholders as part of this review.

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$37,509,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount estimated at ~~\$6,250,000.00~~ **\$8,000,000.00** funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by each district. In calculating the percentage of pupils assessed for a district’s scorecard, the department shall use only the number of pupils enrolled in the district at the time the district administers the assessments and shall exclude pupils who enroll in the district after the district administers the assessments.

(3) The department shall distribute federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25.

(4) The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(5) Notwithstanding section 17b, the department shall make payments on behalf of districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(6) From the allocation in subsection (1), there is allocated an amount not to exceed \$500,000.00 for ~~2022-2023~~ **2023-2024** for the operation of an online reporting tool to provide student-level assessment data in a

secure environment to educators, parents, and pupils immediately after assessments are scored. The department and the center shall ensure that any data collected by the online reporting tool do not provide individually identifiable student data to the federal government.

(7) As used in this section:

(a) “DED” means the United States Department of Education.

(b) “DED-OESE” means the DED Office of Elementary and Secondary Education.

(c) “DED-OSERS” means the DED Office of Special Education and Rehabilitative Services.

Sec. 104f. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$150,000.00~~ **\$1,000,000.00** to a district for the implementation of an assessment digital literacy preparation program for pupils enrolled in grades K to 8 for ~~2022-2023~~ **2023-2024** only. The department shall ensure that a program funded under this subsection satisfies all of the following:

(a) Is available to districts in the ~~2022-2023~~ **2023-2024** school year.

(b) Focuses on ensuring pupils have the necessary skills required for state online assessments by assessing pupil digital literacy skill levels and providing teachers with a digital curriculum targeted at areas of determined weakness.

(c) Allows pupils to engage with the digital curriculum in an independent or teacher-facilitated modality.

(d) Includes training and professional development for teachers.

(e) ~~Is implemented in at least 50 districts that operate grades K to 8 and that represent a diverse geography and socio-economic demographic.~~ **Gives priority to districts that receive funds under section 21h.**

(f) After districts described in subdivision (e), and subject to subdivision (g), gives priority to any district with at least 1 school serving pupils in grades K to 8 with 85% or greater percent of students qualifying for free or reduced lunch. A district that receives a grant under this subdivision must use the funds only for schools within the district serving pupils in grades K to 8 with 85% or greater percent of students qualifying for free or reduced priced meals through direct certification.

(g) Allows districts that participated in 2022-2023 to access funding even if the district does not meet the criteria under subdivision (e) or (f).

(2) Funding under subsection (1) must be allocated to a district that operates at least grades K to 8 and has a partnership with a third party that is experienced in the assessment of digital literacy and the preparation of digital literacy skills and has demonstrable experience serving districts in this state and local education agencies in 10 other states. The district, along with its third-party partner, shall provide a report to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies on the efficacy and usefulness of the assessment digital literacy preparation program no later than July 1 of each fiscal year for which funding is allocated under this section.

(3) Notwithstanding section 17b, the department shall make payments under subsection (1) by not later than December 1 of each fiscal year for which funding is allocated under this section.

Sec. 104h. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$11,500,000.00 to districts to begin implementation of a benchmark assessment system for the 2022-2023 school year. **It is the intent of the legislature that funding for benchmark assessments for the 2024-2025 school year will be appropriated in this section in 2024-2025.** All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the ~~2022-2023~~ **2024-2025** school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the ~~2022-2023~~ **2024-2025** school year, the district shall administer ~~1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof,~~ **the benchmark assessment or assessments administered under subparagraph (i) to all pupils in grades K to 8 to measure proficiency in reading and mathematics. To support fall to spring growth calculations, the same benchmark assessment that is administered in the fall must be administered in the spring.**

(b) ~~A-Except as otherwise provided in this section,~~ **a** district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

(i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(c) The system must provide that, to the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

(d) The system must provide that, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

(e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

(f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(ii), or within a time frame specified by the department, the district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by the department, from all benchmark assessments administered in the ~~2022-2023~~ **2024-2025** school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall ~~2022-2024~~ to spring ~~2023-2025~~.

(2) To receive funding under this section, a district must **apply to do all of the following:**

(a) Apply for the funding in a form and manner prescribed by the department.

(b) Pledge to administer 1 or more of the benchmark assessments described in subsection (6), excluding the benchmark assessment described in subsection (4).

(c) Pledge to administer the same benchmark assessment or assessments in both the fall and spring, as required under this section.

(d) Pledge to meet all reporting requirements pertaining to assessment and mode-of-instruction data outlined in this section.

(3) The-Subject to subsection (2), the department shall pay an ~~amount~~ equal to ~~\$12.50~~ **amount** per membership pupil in grades K to 8 in the district to each district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than ~~September 30, 2023,~~ **November 15, 2025**, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

- (e) Provide immediate feedback to pupils and teachers.
- (f) Be nationally normed.
- (g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 104i. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 an amount not to exceed \$11,500,000.00 to districts and intermediate districts with enrolled K to 8 pupils to begin implementation of a benchmark assessment system for the 2023-2024 school year. All of the following apply to the benchmark assessment system described in this subsection:

- (a) The system must provide for all of the following:

- (i) That, within the first 9 weeks of the 2023-2024 school year, the district or intermediate district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

- (ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2023-2024 school year, the district or intermediate district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

- (b) A district or intermediate district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

- (i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

- (ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

- (c) The system must provide that, to the extent practicable, if a district or intermediate district administers a benchmark assessment or benchmark assessments under this section, the district or intermediate district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

- (d) The system must provide that, if a district or intermediate district administers a benchmark assessment or benchmark assessments under this section, the district or intermediate district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

- (e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district or intermediate district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's or intermediate district's plan for addressing any losses in learning.

- (f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(ii), or within a time frame specified by the department, the district or intermediate district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by the department, from all benchmark assessments administered in the 2023-2024 school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall 2023 to spring 2024.

- (2) To receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.

- (3) The department shall pay an amount equal to \$12.50 per membership pupil in grades K to 8 in the district or intermediate district to each district or intermediate district that applies for funding under this section.

- (4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts and intermediate districts at no cost to the districts and intermediate districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

- (a) Be aligned to the content standards of this state.
 - (b) Complement the state's summative assessment system.
 - (c) Be internet-delivered and include a standards-based assessment.

- (d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than ~~September 25, 2024~~, **November 15, 2024**, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district and intermediate district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts and intermediate districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 107. (1) From the **state school aid fund** appropriation in section 11, there is allocated an amount not to exceed ~~\$30,000,000.00~~ **\$40,000,000.00** for ~~2022-2023~~ **2023-2024** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual must be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and the individual must be at least 18 years of age by July 1 of the program year and the individual's graduating class must have graduated.

(4) By April 1 of each fiscal year for which funding is allocated under this section, the intermediate districts within a prosperity region or subregion shall determine which intermediate district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount as determined under this subsection is allocated to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administration costs for serving as the fiscal agent. The allocation provided to each intermediate district serving as a fiscal agent must be calculated as follows:

(a) Sixty percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals between the ages of 18 and 24 that are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(b) Thirty-five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(c) Five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language proficiency that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program administers a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, administers a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and administers a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant achieves a high school equivalency certificate.

(ii) The participant fails to show progress on 2 successive department-approved assessments used to determine readiness to take a high school equivalency test after having completed at least 450 hours of instruction.

(8) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program tests participants described in subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant in a course offered under this subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school diploma.

(ii) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(9) The department shall make payments to a funding recipient under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average enrollments, census data, and local needs.

(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution; or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the **workforce** innovation and opportunity act, **Public Law 113-128**.

(d) Allowable expenditures.

(10) An individual who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, an individual who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The local or intermediate district conducting the program shall determine the tuition amount.

(11) An individual who is an inmate in a state correctional facility is not counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant must not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) In order to receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. In addition to the funding allocated under subsection (1), there is allocated for 2022-2023-2023-2024 an amount not to exceed \$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for 2022-2023-2023-2024 for grants to adult education or state-approved career technical center programs that connect adult education participants with employers as provided under this subsection. The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, the area career technical center, and local employers. To receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) Require adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided under this subdivision, participants identified under this subsection must be dually enrolled in adult education programming and in at least 1 state-approved technical course at the area career and technical center. A program that links participants identified under this subsection with adult education programming and commercial driver license courses does not need to enroll the participants in at least 1 state-approved technical course at the area career and technical center to be considered an eligible program under this subsection.

(c) Employ an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

(16) Each program funded under subsection (15) will receive funding for 3 years. After 3 years of operations and funding, a program must reapply for funding.

(17) Not later than December 1 of each year, a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

(18) Except as otherwise provided in this subsection, participants under subsection (15) must be concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate. Concurrent enrollment is not required under this subsection for a participant that was enrolled in adult education during the same program year and obtained a high school diploma or a high school equivalency certificate prior to enrollment in an eligible career and technical skills program under subsection (15). Up to 15% of adult education participants served under subsection (15) may already have a high school diploma or a high school equivalency certificate at the time of enrollment in an eligible career and technical skills program under subsection (15) and receive remediation services. It is intended that the cap described in the immediately preceding sentence is continually lowered on an annual basis until it eventually is 0%.

(19) The department shall approve at least 3-2 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(20) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "Career pathway" means a combination of rigorous and high-quality education, training, and other services that comply with all of the following:

(i) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(vi) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) "Department" means the department of labor and economic opportunity.

(d) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 107a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$15,000,000.00 to the department of labor and economic opportunity to create adult education innovation programs. Programs funded under this section are intended to improve enrollment in and completion of adult basic education programs, including, but not limited to, synchronous and asynchronous program delivery methods, wraparound support,

alignment between high school completion with postsecondary education, co-locating adult education with Michigan Works! or community colleges, and high-quality professional development.

(2) The department of labor and economic opportunity must award competitive funds under this section to eligible adult education providers, community colleges, and organizations with experience serving adult learners for the purposes described in subsection (1).

(3) Adult education providers must apply for funding in a form and manner determined by the department of labor and economic opportunity. Adult education providers that are not a district, intermediate district, or community college must identify in their application a partnership with a district, intermediate district, or community college to serve as a fiscal agent for funds received under this section.

(4) In a form and manner determined by the department of labor and economic opportunity, for pilot programs funded under this section, each adult education provider must perform a program evaluation, facilitation of communities of practice, and identification of best practices to scale pilot programs statewide. Adult education providers may use up to 5% of the funds received for these purposes.

(5) By not later than September 30 of each fiscal year funds allocated under subsection (1) are spent by adult education providers, the department of labor and economic opportunity must provide a report to the chairs of the house and senate appropriations subcommittees on school aid, to the house and senate fiscal agencies, and to the state budget director indicating how funds received under this section are being spent, and detailing the amounts spent, the services being provided with the funding, adult learners being reached with the funding, outcomes metrics, and recommendations for how programs could be scaled statewide.

(6) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to improve enrollment in and completion of adult basic education programs. The estimated completion date of the work project is September 30, 2026.

Sec. 121. (1) The valuation of a whole or fractional district ~~shall~~**must** be the total taxable value of the property contained in the whole or fractional district as last determined by the state tax commission and placed on the ad valorem tax roll. For purposes of computations made under this act, except as provided in section 26, the taxable value of a district or intermediate district ~~shall~~**must** include the value of property used to calculate the tax imposed on lessees or users of tax-exempt property under 1953 PA 189, MCL 211.181 to 211.182, and the value of property used to calculate the state payment in lieu of taxes on state purchased property under section 2153 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value ~~shall~~**must** be made for all of the following:

- (a) State tax tribunal decisions.
- (b) Court decisions.
- (c) Local board of review adjustments made after the state tax commission determination.
- (d) Lands deeded to the state for jurisdictions without delinquent tax revolving funds or for jurisdictions that have required repayment to the delinquent tax revolving funds.
- (e) The requirements of this act.

(2) ~~Adjustments under subsection (1) shall not be made for more than the 6 state fiscal years immediately preceding the state fiscal year in which the adjustment is made, except that an~~**An** adjustment pursuant to a state tax tribunal decision or court decision ~~shall~~**must** be made for the tax years involved in the decision and any subsequent years affected by the decision.

Sec. 147. (1) The allocation for ~~2022-2023~~**2023-2024** for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age normal cost method of valuation and risk assumptions adopted by the public school employees retirement board and the department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates for the ~~2022-2023~~**2023-2024** fiscal year, as determined by the retirement system, are estimated as follows:

(a) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%** paid directly by the employer.

(b) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~**27.48%** paid directly by the employer.

(c) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~**26.23%** paid directly by the employer.

(d) For public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the employer.

(e) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the employer.

(f) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the employer.

(g) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~**30.09%** paid directly by the employer.

(h) For public school employees who first worked for a public school reporting unit after January 31, 2018 and who elect to become members of the MPERS plan, the annual level percentage of payroll contribution rate is estimated at ~~43.81%~~**44.05%** with 27.16% paid directly by the employer.

(3) In addition to the employer payments described in subsection (2), the employer shall pay the applicable contributions to the Tier 2 plan, as determined by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(4) The contribution rates in subsection (2) reflect an amortization period of ~~16-15~~ years for ~~2022-2023-2023-2024~~. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023 an amount not to exceed \$100,000,000.00 and for 2023-2024 an amount not to exceed \$100,000,000.00 and for 2022-2023 an amount not to exceed \$100,000,000.00~~ for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$197,000,000.00~~**\$193,935,000.00 for 2022-2023 and an amount not to exceed \$359,950,000.00 for 2021-2022 and an amount not to exceed \$191,700,000.00 for 2022-2023-2023-2024** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$60,000.00~~**\$65,000.00 for 2022-2023 and an amount not to exceed \$100,000.00 for 2021-2022 and an amount not to exceed \$50,000.00 for 2022-2023-2023-2024** for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 prior to February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(3) **In addition to the allocations under subsections (1) and (2), from the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$11,939,000.00 for payments to participating intermediate districts and participating district libraries. A participating intermediate district or participating district library shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the participating intermediate district or participating district library for the fiscal year in which it is received. The**

amount allocated to each participating intermediate district or participating district library under this subsection is calculated as follows:

(a) For each participating intermediate district, \$11,912,000.00 multiplied by each participating intermediate district's percentage of the total statewide payroll for all participating intermediate districts.

(b) For each participating district library, \$27,000.00 multiplied by each participating district library's percentage of the total statewide payroll for all participating district libraries.

(c) As used in this subsection:

(i) "Participating district library" means a district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(ii) "Participating intermediate district" means an intermediate district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 147b. (1) The MPSERS retirement obligation reform reserve fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the MPSERS retirement obligation reform reserve fund. The state treasurer shall direct the investment of the MPSERS retirement obligation reform reserve fund. The state treasurer shall credit to the MPSERS retirement obligation reform reserve fund interest and earnings from the MPSERS retirement obligation reform reserve fund.

(3) Money available in the MPSERS retirement obligation reform reserve fund must not be expended without a specific appropriation.

(4) Money in the MPSERS retirement obligation reform reserve fund at the close of the fiscal year remains in the MPSERS retirement obligation reform reserve fund and does not lapse to the state school aid fund or to the general fund. The department of treasury is the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes.

(5) For 2022-2023, ~~\$425,000,000.00~~ **\$825,000,000.00** from the state school aid fund is deposited into the MPSERS retirement obligation reform reserve fund. It is the intent of the legislature that ~~\$425,000,000.00~~ **\$425,000,000.00** of the funds deposited under this subsection for 2022-2023 are used to offset costs associated with accelerating the reduction of the payroll growth assumption for reporting units that are not university reporting units until that rate is zero by October 1, 2026.

Sec. 147c. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed ~~\$1,478,000,000.00~~, ~~\$1,647,200,000.00~~ and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ only an amount needed, estimated at ~~\$140,400,000.00~~, ~~\$215,800,000.00~~ for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. It is the intent of the legislature that money allocated from the MPSERS retirement obligation reform reserve fund under this subsection for ~~2022-2023-2023-2024~~ represents the amount necessary to reduce the payroll growth assumption to ~~1.75%~~ **0.75%**. All of the following apply to funding under this subsection:

(a) Except as otherwise provided in this subdivision, for ~~2022-2023, 2023-2024~~, the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$1,042.00~~ **\$1,157.00** and are estimated to provide a rate cap per pupil for districts ranging between ~~\$5.00~~ **\$4.00** and ~~\$3,700.00~~. For 2022-2023, if the retirement system determines the average MPSERS rate cap per pupil amount and rate cap per pupil for districts estimated in the immediately preceding sentence need to be adjusted, the estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for districts under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence. ~~\$5,020.00~~.

(b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300,

MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this subsection is based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this subsection shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this subsection should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) Not later than December 20 of each fiscal year for which funding is allocated under this subsection, the department shall publish and post on its website an estimated MPERS rate cap per pupil for each district.

(g) The office of retirement services shall first apply funds allocated under this subsection to pension contributions and, if any funds remain after that payment, shall apply those remaining funds to other postemployment benefit contributions.

~~(2) In addition to the funds allocated under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only \$1,000,000,000.00 for payments to participating entities of the Michigan public school employees' retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under this subsection to the retirement system in a form, manner, and time frame determined by the retirement system. The retirement system shall recognize funds received under this subsection as additional assets being contributed to the system and shall not categorize them as unfunded actuarial liability contributions or normal cost contributions.~~

(2) (3)-As used in this section:

(a) "Community college" means a community college created under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195.

(b) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(c) "MPERS rate cap per pupil" means an amount equal to the quotient of the district's payment under this section divided by the district's pupils in membership.

(d) "Participating entity" means :

~~(i) As used in subsection (1) only, a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~

~~(ii) As used in subsection (2) only, a district, intermediate district, community college, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~

(e) "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-2023 an amount not to exceed \$62,000,000.00, and there is allocated for 2023-2024** an amount not to exceed \$50,000,000.00 ~~and there is allocated for 2022-2023 an amount not to exceed \$54,000,000.00~~ **\$90,400,000.00** for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant's compensation.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) “Member” means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) “Participating entity” means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.

(c) “Qualified participant” means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

Sec. 147f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only \$48,500,000.00 for payments to districts and intermediate districts that are participating entities of the Michigan public school employees’ retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity’s proportion of the total covered payroll for the immediately preceding fiscal year.

(2) As used in this section, “participating entity” means a district or intermediate district that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023-2023-2024 an amount not to exceed \$38,000,500.00 ~~\$41,000,500.00~~ to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state. From this allocation, \$3,000,000.00 is allocated for costs associated with collecting data necessary to provide reporting to tribal governments on the status of students affiliated with their particular tribe and data necessary to determine student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O’Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2022-2023-2023-2024 to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form must be posted on the department’s website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year must submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school’s actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school’s actual cost in accordance with this section.

(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section are for purposes that are incidental to teaching and the provision of educational services to nonpublic school students; that are noninstructional in nature; that do not constitute a primary function or element necessary for a nonpublic school's existence, operation, and survival; that do not involve or result in excessive religious entanglement; and that are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which must include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection must be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components must be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.

~~(11) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2023.~~

~~(11) (12) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2024.~~

(12) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2025.

(13) The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2017-2018 through ~~2021-2022-2022-2023~~ using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).

Sec. 163. (1) Except as otherwise provided in the revised school code, the board of a district or intermediate district shall not permit any of the following:

(a) An individual who is not appropriately placed under a valid certificate, valid substitute permit, authorization, or approval issued under rules promulgated by the department to teach in an elementary or secondary school.

(b) An individual who does not satisfy the requirements of section 1233 of the revised school code, MCL 380.1233, and rules promulgated by the department to provide school counselor services to pupils in an elementary or secondary school.

(c) An individual who does not satisfy the requirements of section 1246 of the revised school code, MCL 380.1246, ~~or who is not~~ **and rules promulgated by the department to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an elementary or secondary school or in a district or intermediate district, unless the individual** is working under a valid substitute permit issued under rules promulgated by the department. ~~, to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an elementary or secondary school or in a district or intermediate district.~~

(2) Except as otherwise provided in the revised school code, this subsection, or subsection (4) or (7), a district or intermediate district employing an individual in violation of this section before July 1, 2021 must have deducted an amount equal to the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (7), a district or intermediate district employing an individual in violation of this section on or after July 1, 2021 must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4), beginning July 1, 2021, if a district or intermediate district is notified by the department that it is employing an individual in violation of this section and it continues to employ the individual in violation of this section 10 business days after receiving the notification, both of the following apply:

(a) The district or intermediate district must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section that occurs before the expiration of the 10-day period described in this subsection.

(b) The district or intermediate district must have deducted an amount equal to 100% of the amount paid to the individual for the period of employment that is in violation of this section that occurs after the 10-day period described in this subsection.

(3) For purposes of subsection (2), if a district or intermediate district on behalf of an individual or an individual successfully completes the credential application process through the department, including the submission of an appropriate application, required fees, and all required supporting documentation, the individual's employment with the district or intermediate district after this completion is not considered a period of employment that is in violation of this section.

(4) A deduction under subsection (2) for employment in violation of this section that occurs on or after July 1, 2021, may be less than the amount required under that subsection if the superintendent of public instruction finds that the district or intermediate district was hindered in its ability to obtain a substitute credential to enable the district or intermediate district to employ the individual in compliance with this section due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities, including, but not limited to, a natural disaster, death or serious illness of the individual or another employee, an emergency school closure, fraud or other intentional wrongdoing of the individual or another employee, or an emergency health condition as defined by city, county, or state health authorities.

(5) For employment of an individual in violation of this section that occurs on or after July 1, 2021, upon request by a district or intermediate district, the department shall credit the amount of an adjustment in payments under section 15 that is based on the employment of the individual that gave rise to the deduction under subsection (2) or (4) against the amount of the deduction under subsection (2) or (4). The amount of the credit under this subsection must not be in an amount that is greater than the deduction assessed under subsection (2) or (4).

(6) If a school official is notified by the department that ~~he or she~~ **the school official** is employing an individual in violation of this section and knowingly continues to employ that individual, the school official is guilty of a misdemeanor punishable by a fine of \$1,500.00 for each ~~incident~~. **incident**. This penalty is in addition to all other financial penalties otherwise specified in this article.

(7) There must be no deduction under subsection (2) for a period of employment in violation of this section that occurs between July 1, 2020 and June 30, 2021.

Sec. 164i. (1) Money appropriated under this act must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in this act, districts, intermediate districts, public community colleges, and public universities shall report to the department any action or policy that attempts to restrict or interfere with the duties of local health officers.

(3) As used in this section, "local health officer" means that term as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105.

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2023-2024, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is \$530,258,000.00: \$544,517,500.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is \$530,258,000.00: \$544,517,500.00.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$81,200,000.00~~ **\$0.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$449,058,000.00~~ **\$544,517,500.00**.

(v) State general fund/general purpose money, \$0.00.

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$341,224,400.00~~ **\$357,961,900.00**, allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$6,040,500.00~~, ~~\$5,753,300.00~~ for operations, ~~\$273,500.00~~ for performance funding, and ~~\$13,700.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$6,327,100.00~~, ~~\$6,026,800.00~~ for operations, ~~\$273,800.00~~ for performance funding, and ~~\$26,500.00~~ for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Bay de Noc Community College is ~~\$5,986,700.00~~, ~~\$5,602,800.00~~ for operations, ~~\$274,200.00~~ for performance funding, and ~~\$109,700.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$6,299,200.00~~, ~~\$5,877,000.00~~ for operations, ~~\$308,300.00~~ for performance funding, and ~~\$113,900.00~~ for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is ~~\$15,928,400.00~~, ~~\$15,160,500.00~~ for operations, ~~\$727,700.00~~ for performance funding, and ~~\$40,200.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$16,690,500.00~~, ~~\$15,888,200.00~~ for operations, ~~\$754,100.00~~ for performance funding, and ~~\$48,200.00~~ for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is ~~\$2,802,100.00~~, ~~\$2,651,200.00~~ for operations, ~~\$150,900.00~~ for performance funding, and ~~\$0.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$2,939,000.00~~, ~~\$2,802,100.00~~ for operations, ~~\$136,900.00~~ for performance funding, and ~~\$0.00~~ for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is ~~\$5,145,800.00~~, ~~\$4,873,700.00~~ for operations, ~~\$229,600.00~~ for performance funding, and ~~\$42,500.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$5,367,600.00~~, ~~\$5,103,300.00~~ for operations, ~~\$226,400.00~~ for performance funding, and ~~\$37,900.00~~ for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is ~~\$19,950,600.00~~, ~~\$18,773,100.00~~ for operations, ~~\$993,100.00~~ for performance funding, and ~~\$184,400.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$20,966,400.00~~, ~~\$19,766,200.00~~ for operations, ~~\$1,078,200.00~~ for performance funding, and ~~\$122,000.00~~ for costs incurred under the North American Indian tuition waiver.

(g) The appropriation for Henry Ford College is ~~\$23,731,400.00~~, ~~\$22,533,100.00~~ for operations, ~~\$1,167,000.00~~ for performance funding, and ~~\$31,300.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$24,943,900.00~~, ~~\$23,700,100.00~~ for operations, ~~\$1,229,700.00~~ for performance funding, and ~~\$14,100.00~~ for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is ~~\$13,337,700.00~~, ~~\$12,756,200.00~~ for operations, ~~\$538,900.00~~ for performance funding, and ~~\$42,600.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$13,887,400.00~~, ~~\$13,295,100.00~~ for operations, ~~\$559,000.00~~ for performance funding, and ~~\$33,300.00~~ for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is ~~\$13,832,700.00~~, ~~\$13,099,900.00~~ for operations, ~~\$676,200.00~~ for performance funding, and ~~\$56,600.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$14,539,400.00~~, ~~\$13,776,100.00~~ for operations, ~~\$705,800.00~~ for performance funding, and ~~\$57,500.00~~ for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is ~~\$10,781,400.00~~, ~~\$10,267,100.00~~ for operations, ~~\$487,300.00~~ for performance funding, and ~~\$27,000.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$11,290,200.00~~, ~~\$10,754,400.00~~ for operations, ~~\$514,800.00~~ for performance funding, and ~~\$21,000.00~~ for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is ~~\$3,601,000.00~~, ~~\$3,358,400.00~~ for operations, ~~\$219,500.00~~ for performance funding, and ~~\$23,100.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$3,792,900.00~~, ~~\$3,577,900.00~~ for operations, ~~\$195,200.00~~ for performance funding, and ~~\$19,800.00~~ for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is ~~\$5,990,800.00~~, ~~\$5,702,700.00~~ for operations, ~~\$275,700.00~~ for performance funding, and ~~\$12,400.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$6,321,600.00~~, ~~\$5,978,400.00~~ for operations, ~~\$339,600.00~~ for performance funding, and ~~\$3,600.00~~ for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for Lansing Community College is ~~\$34,339,200.00, \$32,852,000.00 for operations, \$1,376,900.00 for performance funding, and \$110,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$35,752,700.00, \$34,228,900.00 for operations, \$1,460,300.00 for performance funding, and \$63,500.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Macomb Community College is ~~\$35,950,400.00, \$34,276,100.00 for operations, \$1,635,800.00 for performance funding, and \$38,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$37,661,900.00, \$35,911,900.00 for operations, \$1,723,500.00 for performance funding, and \$26,500.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Mid Michigan Community College is ~~\$5,555,700.00, \$5,184,400.00 for operations, \$273,700.00 for performance funding, and \$97,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$5,798,500.00, \$5,458,100.00 for operations, \$284,800.00 for performance funding, and \$55,600.00 for costs incurred under the North American Indian tuition waiver.**

(p) The appropriation for Monroe County Community College is ~~\$5,005,000.00, \$4,746,200.00 for operations, \$257,400.00 for performance funding, and \$1,400.00 for costs incurred under the North American Indian tuition waiver.~~ **\$5,286,800.00, \$5,003,600.00 for operations, \$281,100.00 for performance funding, and \$2,100.00 for costs incurred under the North American Indian tuition waiver.**

(q) The appropriation for Montcalm Community College is ~~\$3,767,400.00, \$3,570,600.00 for operations, \$188,300.00 for performance funding, and \$8,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$3,966,700.00, \$3,758,900.00 for operations, \$198,300.00 for performance funding, and \$9,500.00 for costs incurred under the North American Indian tuition waiver.**

(r) The appropriation for C.S. Mott Community College is ~~\$17,127,100.00, \$16,440,000.00 for operations, \$658,300.00 for performance funding, and \$28,800.00 for costs incurred under the North American Indian tuition waiver.~~ **\$17,823,200.00, \$17,098,300.00 for operations, \$693,400.00 for performance funding, and \$31,500.00 for costs incurred under the North American Indian tuition waiver.**

(s) The appropriation for Muskegon Community College is ~~\$9,775,400.00, \$9,289,100.00 for operations, \$444,300.00 for performance funding, and \$42,000.00 for costs incurred under the North American Indian tuition waiver.~~ **\$10,223,600.00, \$9,733,400.00 for operations, \$477,500.00 for performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.**

(t) The appropriation for North Central Michigan College is ~~\$3,779,800.00, \$3,389,300.00 for operations, \$226,600.00 for performance funding, and \$163,900.00 for costs incurred under the North American Indian tuition waiver.~~ **\$4,011,000.00, \$3,615,900.00 for operations, \$252,900.00 for performance funding, and \$142,200.00 for costs incurred under the North American Indian tuition waiver.**

(u) The appropriation for Northwestern Michigan College is ~~\$10,162,300.00, \$9,567,100.00 for operations, \$439,700.00 for performance funding, and \$155,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$10,650,300.00, \$10,006,800.00 for operations, \$466,500.00 for performance funding, and \$177,000.00 for costs incurred under the North American Indian tuition waiver.**

(v) The appropriation for Oakland Community College is ~~\$23,505,300.00, \$22,211,700.00 for operations, \$1,257,800.00 for performance funding, and \$35,800.00 for costs incurred under the North American Indian tuition waiver.~~ **\$24,755,900.00, \$23,469,500.00 for operations, \$1,264,100.00 for performance funding, and \$22,300.00 for costs incurred under the North American Indian tuition waiver.**

(w) The appropriation for Schoolcraft College is ~~\$13,960,700.00, \$13,196,200.00 for operations, \$743,300.00 for performance funding, and \$21,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$14,742,500.00, \$13,939,500.00 for operations, \$772,300.00 for performance funding, and \$30,700.00 for costs incurred under the North American Indian tuition waiver.**

(x) The appropriation for Southwestern Michigan College is ~~\$7,359,900.00, \$6,979,400.00 for operations, \$353,400.00 for performance funding, and \$27,100.00 for costs incurred under the North American Indian tuition waiver.~~ **\$7,695,500.00, \$7,332,800.00 for operations, \$350,000.00 for performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.**

(y) The appropriation for St. Clair County Community College is ~~\$7,805,200.00, \$7,385,200.00 for operations, \$401,400.00 for performance funding, and \$18,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$8,226,400.00, \$7,786,600.00 for operations, \$423,800.00 for performance funding, and \$16,000.00 for costs incurred under the North American Indian tuition waiver.**

(z) The appropriation for Washtenaw Community College is ~~\$14,875,000.00, \$13,855,900.00 for operations, \$995,400.00 for performance funding, and \$23,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$15,938,200.00, \$14,851,300.00 for operations, \$1,074,200.00 for**

performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.

(aa) The appropriation for Wayne County Community College is ~~\$18,384,700.00, \$17,593,400.00 for operations, \$782,700.00 for performance funding, and \$8,600.00 for costs incurred under the North American Indian tuition waiver.~~**\$19,197,900.00, \$18,376,100.00 for operations, \$817,200.00 for performance funding, and \$4,600.00 for costs incurred under the North American Indian tuition waiver.**

(bb) The appropriation for West Shore Community College is ~~\$2,742,200.00, \$2,585,600.00 for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs incurred under the North American Indian tuition waiver.~~**\$2,865,600.00, \$2,721,000.00 for operations, \$130,200.00 for performance funding, and \$14,400.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$341,224,400.00~~**\$357,961,900.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2022-2023~~**2023-2024** to offset certain fiscal year ~~2022-2023~~**2023-2024** retirement contributions is ~~\$1,733,600.00, \$7,189,000.00~~, appropriated from the state school aid fund.

(b) For fiscal year ~~2022-2023~~**2023-2024**, there is allocated an amount not to exceed ~~\$10,800,000.00~~**\$23,000,000.00** for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$92,600,000.00, \$105,800,000.00~~, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, ~~2023~~**2024**.

(7) From the appropriations described in subsection (1), subject to section 216, the amount appropriated for the Michigan reconnect grant program short-term training grants is \$6,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.

(8) From the appropriations described in subsection (1), there is appropriated ~~\$9,200,000.00 from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only, to the nonprofit organization Talent 2025, for the creation and operation of the Michigan center for adult college success to focus on research, support models, and best practices on ensuring enrollment and completion of college degrees and certificates among adults returning to further their education due to being unemployed or underemployed, including, but not limited to, those whose employment opportunities have been adversely affected by the COVID-19 pandemic. The goal of the research is to identify barriers that prevent these individuals from completing degree and certificate programs, create greater support systems within colleges and universities for these students that address these barriers, and as a result increase the number of adults completing degree and certificate programs. This research is meant to serve the overarching aim of increasing the skills and training of Michiganders impacted by the COVID-19 pandemic. Talent 2025 shall provide information on request to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director on the use of these funds until the project is completed.~~

(9) From the appropriations described in subsection (1), subject to section 216a, there is appropriated ~~\$10,000,000.00, from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only, to the Michigan Community College Association, for the community college academic catch-up program.~~

(11) From the appropriations described in subsection (1), subject to section 216b, the amount appropriated for the Michigan ADN to BSN completion grant program is ~~\$56,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.~~

(7) For fiscal year ~~2023-2024~~**2023-2024** only, from the appropriations described in subsection (1), the amount appropriated for career and education navigators for adult learners is ~~\$5,000,000.00~~**\$5,000,000.00**, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the Office of Sixty by 30 in the department

of labor and economic opportunity to supplement or create navigation efforts of adult learners. The Office of Sixty by 30 shall issue a report including, but not limited to, the number of grants awarded, a list of community colleges awarded grants and the amounts, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, 2024.

(8) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), the amount appropriated for the Michigan Reconnect Entry Point Program is \$5,000,000.00, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the Office of Sixty by 30 in the department of labor and economic opportunity to engage Michigan reconnect grant applicants who have been approved for funding but have not enrolled in a postsecondary or eligible Michigan reconnect program and work to identify and resolve barriers preventing enrollment. The Office of Sixty by 30 shall issue a report including, but not limited to, the number of grants awarded, a list of community colleges awarded grants and the amounts, a list of any counties that partnered with a community college for a grant under this section, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, 2024.

(9) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), subject to section 216c, the amount appropriated for infrastructure, technology, equipment, maintenance, housing, and safety is \$32,836,600.00, appropriated from the state school aid fund.

(10) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from the state school aid fund for critical incident mapping. These funds must be distributed to community colleges proportionately to the amounts in subsection (2) for operations.

(11) From the appropriations described in subsection (1), the amount appropriated for Michigan workforce development projects is \$530,000.00, appropriated from the state school aid fund. These funds must be awarded to Kalamazoo Valley Community College, and must be used by that college in conjunction with the college's wind turbine program for curriculum development for programs in 1 or more of the following areas:

(a) Electric vehicle battery installation and repair.

(b) Electric vehicle charger installation for residential applications, commercial applications, or both.

(c) Residential and community scale solar panel installation, maintenance, and repair.

Sec. 202a. As used in this article:

(a) "ADN" means an associate of science degree in nursing, an associate of applied science in nursing, or a similar 2-year degree in nursing.

(b) "BSN" means a bachelor of science degree in nursing.

(a) (c) "Center" means the center for educational performance and information created in section 94a.

(b) (d) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(c) (e) "Participating college" means a community college that is a reporting unit of the retirement system and that reports employees to the retirement system for the state fiscal year.

(d) (f) "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, 2023-2024 and must be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2022-2023. Each community college shall accrue its July and August 2023-2024 payments to its institutional fiscal year ending June 30, 2023-2024.

(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, 2023-2024 and must be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August 2023-2024 payments to its institutional fiscal year ending June 30, 2023-2024.

(3) If the state budget director determines that a community college failed to submit any of the following information in the form and manner specified by the center, the state treasurer shall, subject to subsection (4), withhold the monthly installments from that community college until those data are submitted:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of November of each year as specified in section 217.

(b) The college credit opportunity data set as specified in section 209.

(c) The longitudinal data set for the preceding academic year to the center as specified in section 219.

(d) The annual independent audit as specified in section 222.

(e) Tuition and mandatory fees information for the current academic year as specified in section 225.

(f) The number and type of associate degrees and other certificates awarded during the previous academic year as specified in section 226.

(4) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college under subsection (3).

Sec. 207a. The following apply to the allocation of the fiscal year ~~2022-2023~~ **2023-2024** appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4)(a) must be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

(c) The amount allocated to each participating community college under section 201(4)(b) must be based on each college's reported quarterly payroll for members for the current fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2022-2023~~ **2023-2024** appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) must be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(b) The amount allocated to each community college under section 201(5) must be based on each community college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

Sec. 207c. All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year ~~2022-2023~~ **2023-2024** must be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in ~~2022-2023~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) must be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

Sec. 216c. (1) Funds appropriated in section 201(9) for infrastructure, technology, equipment, maintenance, housing, and safety are intended to be used for necessary improvements and deferred maintenance of community college buildings, facilities, and other physical infrastructure; necessary improvements and deferred maintenance of information technology, other technology infrastructure, and other equipment; and other purposes related to infrastructure, technology, equipment, and maintenance. A community college may also use these funds to construct, renovate, or purchase student housing or to upgrade safety and security infrastructure. These funds are not intended to be used for any other purpose than what is specified in this section.

(2) To receive funds under this section, a community college must certify to the state budget director by January 1, 2024 that it did not receive an appropriation for a planning or construction authorization for a capital outlay project between January 1, 2023 and December 15, 2023.

(3) Funds appropriated in section 201(9) are distributed to each community college that certified it did not receive a capital outlay appropriation under subsection (2). The payment for each college must be calculated based on each college's respective share of total fiscal year equated students as reported to the Michigan community college data inventory for the fiscal year ending September 30, 2022 for all community colleges that receive a payment under this section. Payments to community colleges under this section must be distributed in 1 lump sum to each institution with the January 16, 2024 payment described in section 206(1).

Sec. 217a. (1) Each community college that receives an appropriation in section 201 shall submit all of the following information in the form and manner specified by the center:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of November of each year as specified in section 217.

(b) Tuition and mandatory fees information as specified in section 217b.

(c) The longitudinal data set to the center as specified in section 219.

(d) The number and type of associate degrees, baccalaureate degrees, and other certificates awarded as specified in section 219.

(e) The annual independent audit as specified in section 222.

(2) If the state budget director determines that a community college failed to submit any of the information described in subsection (1) in the form and manner specified by the center, the state treasurer may withhold the monthly installments described in section 206 from that community college until those data are submitted. If a community college does not submit any of the information described in subsection (1) by the end of the fiscal year, the community college forfeits any withheld amount. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college.

(3) It is intended that accountability reporting for community colleges will be streamlined through the center. The state budget director and the center shall work to combine the reporting requirements outlined in this subsection with the existing Michigan community colleges verified data inventory collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each community college's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting and certification requirements of subsections (6) and (7) and section 217b.

(4) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall make all of the information described in subdivisions (a) to (g) available through a link on its website homepage, subject to subdivision (h), as follows:

(a) The annual operating budget and subsequent budget revisions.

(b) A link to the most recent "Michigan Community College Data Inventory Report".

(c) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(d) A listing of all debt service obligations, detailed by project, anticipated payment of each project, and total outstanding debt for the current fiscal year.

(e) Links to all of the following for the community college:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the community college.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).

(f) A map that includes the boundaries of the community college district.

(g) A prominent link to the financial aid website created under section 260.

(h) For statewide consistency and public visibility, community colleges shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

(5) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall develop, maintain, and update a “campus safety information and resources” link, prominently displayed on the homepage of its website, that links to a section of the community college’s website containing, at a minimum, all of the following information:

- (a) Emergency contact numbers for police, fire, health, and other services.
- (b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.
- (c) A list of safety and security services provided by the community college, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.
- (d) The community college’s policies applicable to minors on community college property.
- (e) A directory of resources available at the community college or in the surrounding community for students or employees who are survivors of sexual assault or sexual abuse.
- (f) An electronic copy of “A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family”, published in 2018.
- (g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(6) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall report to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director its annual title IX report, also known as the student sexual misconduct report, issued by the title IX coordinator, as required under the federal campus SaVE act of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).

(7) No later than the first business day of November of each year, each community college that receives an appropriation in section 201 shall certify that the community college complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

- (a) Use of medical experts that do not have an actual or apparent conflict of interest.
- (b) Issuance of title IX reports to complainants and respondents that are not divergent.
- (c) Notification of resources to each individual who reports having experienced sexual assault by a member of the community college.

Sec. 217b. (1) Each community college that receives an appropriation in section 201 shall report to the center by the last business day of August of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the community college governing board for the current academic year. This report should also include the annual cost of tuition and fees based on a full-time course load of 30 credits. This report must also specify the amount that tuition and fees have increased for the community college from the prior academic year. Each community college shall also report any revisions to the reported current academic year tuition and mandatory fees adopted by the community college governing board to the center within 15 days of being adopted. The center shall provide this information and any revisions to the house and senate fiscal agencies and the state budget director.

(2) Each community college that receives an appropriation in section 201 shall certify to the state budget director by the last business day of August that its board will not adopt an increase in tuition and fee rates for in-district students for the 2023-2024 academic year that is greater than 4.5% or \$205.00, whichever is greater. As used in this subsection:

(a) “Fee” means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the 2023-2024 academic year to exceed the limit established in this section.

(b) “Tuition and fee rate” means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(3) Community colleges that exceed the tuition and fee rate cap described in subsection (2) are not eligible to receive payments under section 201 for performance funding for fiscal year 2023-2024.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (2).

Sec. 219. (1) By October 15 of each year, each community college that receives an appropriation in section 201 shall provide its longitudinal data system data set for the preceding academic year to the center for inclusion in the statewide P-20 education longitudinal data system described in section 94a.

(2) Each community college that receives an appropriation in section 201 shall report to the center by October 15 of each year the numbers and type of associate degrees and other certificates awarded by the community college during the previous academic year for inclusion in the statewide P-20 longitudinal data system.

(3) Using the data provided by the community colleges as required under this section, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public of the aggregate academic status of its students for the previous academic year. The center shall work with the Michigan Community College Association and in cooperation with the Michigan Association of Secondary School Principals. Community colleges shall cooperate with the center to maintain a systematic approach for accomplishing this work.

Sec. 223. (1) By January 15 of each year, the department of civil rights shall submit to the state budget director, the house and senate appropriations subcommittees on community colleges, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each community college submitting information under subsection (2), all of the following:

(i) The number of North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) ~~(iii)~~ The number of students attending under a North American Indian tuition waiver who withdrew from the college each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) ~~(iv)~~ The number of students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(2) By January 1 of each year, a community college that receives ~~funds under an appropriation in~~ section 201 or a tribal institution that receives funding for the North American Indian tuition waiver shall provide to the department of civil rights any information necessary for preparing the report described in subsection (1), using guidelines and procedures developed by the department of civil rights.

(3) The department of civil rights may consolidate the report required under this section with the report required under section 268, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 229a. Included in the fiscal year ~~2022-2023~~ **2023-2024** appropriations for the department of technology, management, and budget are appropriations totaling ~~\$32,981,600.00~~ **\$33,081,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

(a) Alpena Community College, ~~\$902,600.00~~ **\$886,800.00**.

(b) Bay de Noc Community College, ~~\$520,600.00~~ **\$522,100.00**.

(c) Delta College, ~~\$2,732,600.00~~ **\$2,724,100.00**.

(d) Glen Oaks Community College, ~~\$194,600.00~~ **\$406,500.00**.

(e) Gogebic Community College, ~~\$56,600.00~~ **\$56,800.00**.

(f) Grand Rapids Community College, ~~\$1,097,700.00~~ **\$1,101,000.00**.

(g) Henry Ford College, ~~\$1,174,500.00~~ **\$1,178,300.00**.

(h) Jackson College, ~~\$2,187,400.00~~ **\$2,193,900.00**.

(i) Kalamazoo Valley Community College, ~~\$1,963,000.00~~ **\$1,968,800.00**.

- (j) Kellogg Community College, ~~\$686,300.00~~ **\$688,400.00**.
- (k) Kirtland Community College, ~~\$227,400.00~~ **\$228,100.00**.
- (l) Lake Michigan College, ~~\$976,400.00~~ **\$979,300.00**.
- (m) Lansing Community College, ~~\$1,153,300.00~~ **\$1,156,800.00**.
- (n) Macomb Community College, ~~\$1,966,900.00~~ **\$1,972,800.00**.
- (o) Mid Michigan Community College, ~~\$1,632,400.00~~ **\$1,637,300.00**.
- (p) Monroe County Community College, ~~\$1,556,600.00~~ **\$1,561,300.00**.
- (q) Montcalm Community College, ~~\$450,800.00~~ **\$452,200.00**.
- (r) C.S. Mott Community College, ~~\$2,125,700.00~~ **\$2,132,100.00**.
- (s) Muskegon Community College, ~~\$992,600.00~~ **\$995,600.00**.
- (t) North Central Michigan College, ~~\$692,400.00~~ **\$654,900.00**.
- (u) Northwestern Michigan College, ~~\$1,806,300.00~~ **\$1,811,700.00**.
- (v) Oakland Community College, \$0.00.
- (w) Schoolcraft College, ~~\$2,371,300.00~~ **\$2,262,900.00**.
- (x) Southwestern Michigan College, ~~\$831,400.00~~ **\$833,900.00**.
- (y) St. Clair County Community College, ~~\$725,800.00~~ **\$727,900.00**.
- (z) Washtenaw Community College, ~~\$1,734,600.00~~ **\$1,739,800.00**.
- (aa) Wayne County Community College, ~~\$1,477,900.00~~ **\$1,482,300.00**.
- (bb) West Shore Community College, ~~\$743,900.00~~ **\$746,000.00**.

Sec. 230. (1) Subject to subsection (4), money included in the appropriations for community college operations under section 201(2) for performance funding is distributed based on the following formula:

- (a) Allocated proportionate to fiscal year ~~2021-2022~~ **2022-2023** base appropriations, 30%.
- (b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.
- (c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.
- (d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.
- (e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.
- (f) Based on administrative costs, 5%.

(g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

(2) Money included in the appropriations for community college operations under section 201(2) for local strategic value is allocated only to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, ~~2022~~, **2023**, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution must provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component is allocated to each category described in subsection (3). Amounts distributed under local strategic value must be on a proportionate basis to each college's fiscal year ~~2021-2022~~ **2022-2023** operations funding. Payments to community colleges that qualify for local strategic value funding must be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

- (a) For Category A, economic development and business or industry partnerships, the following:
 - (i) The community college has active partnerships with local employers including hospitals and health care providers.
 - (ii) The community college provides customized on-site training for area companies, employees, or both.
 - (iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.
 - (iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.
 - (v) The community college has active partnerships with local or regional workforce and economic development agencies.
- (b) For Category B, educational partnerships, the following:
 - (i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.
 - (ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, “high school equivalency test preparation program” means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) must be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan transfer network. **Transfer Network.** The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding until a community college is in compliance with this subsection.

(5) Payments under section 201 for performance funding for fiscal year 2022–2023 must be made only to a public community college that certifies to the state budget director by the last business day of August that its board will not adopt an increase in tuition and fee rates for in-district students for the 2022–2023 academic year that is greater than 5.0% or \$226.00, whichever is greater. As used in this subsection:

(a) “Fee” means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the 2022–2023 academic year to exceed the limit established in this section.

(b) “Tuition and fee rate” means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(6) Community colleges that exceed the tuition and fee rate cap described in subsection (5) must not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year 2022–2023 or 2023–2024.

(7) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (5).

(8) A task force must be formed by September 15, 2022 to review, evaluate, discuss, and make recommendations regarding community college operations funding, with a focus on addressing disparities and ensuring that funding levels are equitable across tuition, state support, and local tax revenue. All of the following apply to this task force:

(a) The task force must consist of the following members:

(i) The chairs and minority vice chairs of the house and senate appropriations subcommittees on higher education and community colleges.

(ii) The state budget director or designee.

(iii) The director of the Michigan Community Colleges Association.

(iv) Three members from Michigan public community colleges, designated by the Michigan Community College Association, that represent various-sized colleges and geographical distribution.

(b) The task force may engage legislative staff, the house and senate fiscal agencies, the state budget office, the department of treasury, former state officials, and other stakeholders with relevant technical expertise to support its work.

(c) The task force shall review whether the current performance metrics used for the performance funding formula are the most appropriate and reliable performance indicators available and determine the most efficient methodology for connecting state funding to those indicators. The task force shall also review, examine, and suggest methodology concerning equitable and appropriate funding levels to community colleges.

(d) The task force shall publish a report containing its findings and recommendations by December 15, 2022.

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, 2023–2024, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 236j:

(a) The gross appropriation is ~~\$2,016,635,700.00.~~ **\$2,291,048,800.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,016,635,700.00.~~ **\$2,291,048,800.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$128,526,400.00.~~ **\$131,026,400.00.**

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$347,888,300.00.~~ **\$482,268,300.00.**

(v) State general fund/general purpose money, ~~\$1,540,221,000.00.~~ **\$1,677,754,100.00.**

(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include amounts appropriated under subsection (7)(f) or (8)(c) to avoid duplicating totals of amounts appropriated in this section and section 236j.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is ~~\$91,145,100.00, \$87,600,000.00 for operations, \$0.00 for per-student floor funding, \$1,752,000.00 for operations increase, and \$1,793,100.00 for costs incurred under the North American Indian tuition waiver.~~ **\$95,413,800.00, \$89,352,000.00 for operations, \$0.00 for per-student floor funding, \$4,467,600.00 for operations increase, and \$1,594,200.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Eastern Michigan University is ~~\$79,152,400.00, \$77,253,700.00 for operations, \$0.00 for per-student floor funding, \$1,545,100.00 for operations increase, and \$353,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$83,144,700.00, \$78,798,800.00 for operations, \$0.00 for per-student floor funding, \$3,939,900.00 for operations increase, and \$406,000.00 for costs incurred under the North American Indian tuition waiver.**

(c) The appropriation for Ferris State University is ~~\$56,952,900.00, \$55,025,500.00 for operations, \$0.00 for per-student floor funding, \$1,100,500.00 for operations increase, and \$826,900.00 for costs incurred under the North American Indian tuition waiver.~~ **\$59,646,500.00, \$56,126,000.00 for operations, \$0.00 for per-student floor funding, \$2,806,300.00 for operations increase, and \$714,200.00 for costs incurred under the North American Indian tuition waiver.**

(d) The appropriation for Grand Valley State University is ~~\$81,253,800.00, \$72,313,500.00 for operations, \$7,661,000.00 for per-student floor funding, \$0.00 for operations increase, and \$1,279,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$97,365,000.00, \$79,974,500.00 for operations, \$11,560,000.00 for per-student floor funding, \$4,576,700.00 for operations increase, and \$1,253,800.00 for costs incurred under the North American Indian tuition waiver.**

(e) The appropriation for Lake Superior State University is ~~\$14,361,900.00, \$13,307,000.00 for operations, \$0.00 for per-student floor funding, \$266,100.00 for operations increase, and \$788,800.00 for costs incurred under the North American Indian tuition waiver.~~ **\$15,190,300.00, \$13,573,100.00 for operations, \$0.00 for per-student floor funding, \$678,700.00 for operations increase, and \$938,500.00 for costs incurred under the North American Indian tuition waiver.**

(f) The appropriation for Michigan State University is ~~\$372,054,800.00, \$287,331,700.00 for operations, \$0.00 for per-student floor funding, \$14,349,600.00 for operations increase, \$2,046,400.00 for costs incurred under the North American Indian tuition waiver, \$36,684,200.00 for MSU AgBioResearch, and \$31,642,900.00 for MSU Extension.~~ **\$390,452,600.00, \$301,681,300.00 for operations, \$0.00 for per-student floor funding, \$15,084,100.00 for operations increase, \$1,943,800.00 for costs incurred under the North American Indian tuition waiver, \$38,518,400.00 for MSU AgBioResearch, and \$33,225,000.00 for MSU Extension.**

(g) The appropriation for Michigan Technological University is ~~\$51,951,000.00, \$50,101,600.00 for operations, \$0.00 for per-student floor funding, \$1,002,000.00 for operations increase, and \$847,400.00 for costs incurred under the North American Indian tuition waiver.~~ **\$54,525,700.00, \$51,103,600.00 for operations, \$0.00 for per-student floor funding, \$2,555,200.00 for operations increase, and \$866,900.00 for costs incurred under the North American Indian tuition waiver.**

(h) The appropriation for Northern Michigan University is ~~\$50,751,100.00, \$47,809,100.00 for operations, \$0.00 for per-student floor funding, \$1,780,700.00 for operations increase, and \$1,161,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$53,320,000.00, \$49,589,800.00 for operations, \$0.00 for per-student floor funding, \$2,479,500.00 for operations increase, and \$1,250,700.00 for costs incurred under the North American Indian tuition waiver.**

(i) The appropriation for Oakland University is ~~\$60,761,900.00, \$53,147,400.00 for operations, \$7,259,200.00 for per-student floor funding, \$0.00 for operations increase, and \$355,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$72,288,800.00, \$60,406,600.00 for operations, \$8,123,900.00 for per-student floor funding, \$3,426,500.00 for operations increase, and \$331,800.00 for costs incurred under the North American Indian tuition waiver.**

(j) The appropriation for Saginaw Valley State University is ~~\$32,274,600.00, \$30,583,800.00 for operations, \$132,900.00 for per-student floor funding, \$1,369,600.00 for operations increase, and \$188,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$33,894,500.00, \$32,086,300.00 for operations, \$0.00 for per-student floor funding, \$1,604,300.00 for operations increase, and \$203,900.00 for costs incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan – Ann Arbor is ~~\$339,198,000.00, \$321,970,100.00 for operations, \$0.00 for per-student floor funding, \$16,390,200.00 for operations increase, and \$837,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$356,568,800.00, \$338,360,300.00 for operations, \$0.00 for per-student floor funding, \$16,918,000.00 for operations increase, and \$1,290,500.00 for costs incurred under the North American Indian tuition waiver.**

(l) The appropriation for University of Michigan – Dearborn is ~~\$28,115,900.00, \$26,167,000.00 for operations, \$1,702,700.00 for per-student floor funding, \$0.00 for operations increase, and \$246,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$31,233,500.00, \$27,869,700.00 for operations, \$1,699,800.00 for per-student floor funding, \$1,478,500.00 for operations increase, and \$185,500.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan – Flint is ~~\$25,159,200.00, \$23,616,200.00 for operations, \$953,900.00 for per-student floor funding, \$204,700.00 for operations increase, and \$384,400.00 for costs incurred under the North American Indian tuition waiver.~~ **\$26,404,700.00, \$24,774,800.00 for operations, \$0.00 for per-student floor funding, \$1,238,700.00 for operations increase, and \$391,200.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~\$213,639,700.00, \$202,996,700.00 for operations, \$0.00 for per-student floor funding, \$10,289,900.00 for operations increase, and \$353,100.00 for costs incurred under the North American Indian tuition waiver.~~ **\$224,354,500.00, \$213,286,600.00 for operations, \$0.00 for per-student floor funding, \$10,664,300.00 for operations increase, and \$403,600.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~\$114,351,900.00, \$111,522,200.00 for operations, \$0.00 for per-student floor funding, \$2,230,400.00 for operations increase, and \$599,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$119,983,900.00, \$113,752,600.00 for operations, \$0.00 for per-student floor funding, \$5,687,600.00 for operations increase, and \$543,700.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is ~~\$1,611,124,200.00, \$1,713,787,300.00~~, appropriated from the following:

(a) State school aid fund, ~~\$343,168,300.00.~~ **\$443,168,300.00.**

(b) State general fund/general purpose money, ~~\$1,267,955,900.00.~~ **\$1,270,619,000.00.**

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is ~~\$70,000.00, appropriated from the state school aid fund.~~ **\$0.00.**

(5) The amount appropriated for state and regional programs is \$316,800.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, \$200,000.00.

(b) Midwestern Higher Education Compact, \$116,800.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, \$1,956,100.00.

(b) Michigan college/university partnership program, \$586,800.00.

(c) Morris Hood, Jr. educator development program, \$148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is ~~\$397,783,200.00,~~
\$447,283,200.00, allocated as follows:

(a) State competitive scholarships, ~~\$29,861,700.00.~~ **\$26,861,700.00.**

(b) Tuition grants, \$42,021,500.00.

(c) Tuition incentive program, ~~\$71,300,000.00.~~**\$73,800,000.00.**

(d) Children of veterans and officer's survivor tuition grant programs, \$1,400,000.00.

(e) Project GEAR-UP, \$3,200,000.00.

(f) Michigan achievement scholarships, ~~\$250,000,000.00.~~**\$300,000,000.00.** From this amount, up to \$10,000,000.00 may be used to award skills scholarships under section 248a.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

(b) Federal revenues under the social security act, temporary assistance for needy families, ~~\$125,326,400.00.~~**\$127,826,400.00.**

(c) Postsecondary scholarship fund, ~~\$250,000,000.00.~~ **\$300,000,000.00.**

(d) State general fund/general purpose money, ~~\$19,256,800.00.~~ **\$16,256,800.00.**

(9) For fiscal year ~~2022-2023~~**2023-2024** only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed ~~\$4,650,000.00~~
\$9,100,000.00 for payments to participating public universities, appropriated from the state school aid fund. A public university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

(10) For fiscal year **2023-2024** only, from the appropriations described in subsection (1), the amount appropriated for Michigan Technological University for the creation of a bachelor of science degree in nursing program is **\$870,000.00**, appropriated from state general fund/general purpose money.

(11) For fiscal year **2023-2024** only, from the appropriations described in subsection (1), **\$3,000,000.00** is appropriated from state general fund/general purpose money to the Michigan geological survey for costs related to the development, construction, and equipment purchases for a new facility.

(12) For fiscal year **2023-2024** only, from the appropriations described in subsection (1), **\$5,000,000.00** is appropriated from state general fund/general purpose money for critical incident mapping. These funds must be distributed to universities proportionately to the amounts in subsection (2) for operations.

(13) For fiscal year **2023-2024** only, from the appropriations described in subsection (1), subject to section 236m, **\$79,000,000.00** is appropriated from general fund/general purpose money for infrastructure, technology, equipment, maintenance, and safety.

(14) For fiscal year **2023-2024** only, from the appropriations described in subsection (1), **\$30,000,000.00** is appropriated from the state school aid fund to Michigan State University for the Engineering and Digital Innovation Center.

Sec. 236b. In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year ~~2022-2023~~**2023-2024** an amount not to exceed \$6,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2022-2023~~**2023-2024** in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2022-2023~~**2023-2024** for state building authority rent, totaling an estimated ~~\$132,295,300.00.~~ **\$134,595,300.00**, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each public university:

(a) Central Michigan University, ~~\$12,973,000.00.~~**\$13,013,100.00.**

(b) Eastern Michigan University, ~~\$6,049,500.00.~~**\$6,068,200.00.**

(c) Ferris State University, ~~\$8,392,700.00.~~**\$9,756,300.00.**

- (d) Grand Valley State University, ~~\$8,653,400.00~~ **\$8,680,100.00.**
- (e) Lake Superior State University, ~~\$2,340,600.00~~ **\$2,246,100.00.**
- (f) Michigan State University, ~~\$16,673,800.00~~ **\$16,725,300.00.**
- (g) Michigan Technological University, ~~\$3,421,600.00~~ **\$4,030,700.00.**
- (h) Northern Michigan University, ~~\$7,342,400.00~~ **\$7,768,000.00.**
- (i) Oakland University, ~~\$9,488,200.00~~ **\$9,517,400.00.**
- (j) Saginaw Valley State University, ~~\$7,855,700.00~~ **\$7,880,000.00.**
- (k) University of Michigan - Ann Arbor, ~~\$12,065,900.00~~ **\$11,757,500.00.**
- (l) University of Michigan - Dearborn, ~~\$10,774,000.00~~ **\$10,807,200.00.**
- (m) University of Michigan - Flint, ~~\$6,084,700.00~~ **\$6,103,500.00.**
- (n) Wayne State University, ~~\$10,118,000.00~~ **\$10,092,800.00.**
- (o) Western Michigan University, ~~\$10,061,800.00~~ **\$10,149,100.00.**

Sec. 236h. (1) For fiscal year ~~2021-2022~~ **2022-2023** only, in addition to the allocations under section 236(4) and (9), there is allocated an amount not to exceed ~~\$384,741,700.00~~ **\$200,000,000.00** for payments to participating public universities, ~~\$84,741,700.00~~ ~~appropriated from the state general fund/general purpose money and~~ ~~\$300,000,000.00~~ ~~appropriated from the state school aid fund.~~ A **public** university that receives money under this subsection shall use that money solely for the purpose of payments toward the pension and other postemployment benefit unfunded actuarial accrued liabilities associated with members and pension recipients of those participating public universities. As used in this section, “participating public universities” means public universities that are reporting units of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees’ retirement system for the state fiscal year.

(2) The amount allocated in subsection (1) must be allocated to each participating public university based on each participating public university’s percentage of the total combined payrolls of the universities’ employees who are members of the retirement system and who were hired before January 1, 1996 and the universities’ employees who would have been members of the retirement system on or after January 1, 1996, but for the enactment of 1995 PA 272 for all public universities that are participating public universities for the immediately preceding state fiscal year.

(3) Participating public universities receiving funds under this section shall forward an amount equal to the amount allocated under subsection (1) to the retirement system in a form, manner, and time frame determined by the retirement system.

(4) Amounts allocated in subsection (1) must be paid to participating public universities in 1 lump-sum installment no later than September 30, ~~2022-2023~~.

Sec. 236j. (1) The postsecondary scholarship fund is created in the department of treasury for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state, as provided in subsection (5).

(2) The state treasurer may receive money or other assets from any source for deposit into the postsecondary scholarship fund. The state treasurer shall direct the investment of the postsecondary scholarship fund. The state treasurer shall credit to the postsecondary scholarship fund interest and earnings from postsecondary scholarship fund investments.

(3) ~~Except as otherwise provided in subsection (5)(c), money~~ **Money** in the postsecondary scholarship fund at the close of the fiscal year must remain in the postsecondary scholarship fund and not lapse to the general fund.

(4) The department of treasury shall be the administrator of the postsecondary scholarship fund for auditing purposes.

(5) ~~The expenditure of money from the postsecondary scholarship fund is subject to all of the following:~~

(a) ~~Money must be expended from the postsecondary scholarship fund only for the purpose of providing~~ **Michigan achievement** scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state. **Not more than \$10,000,000.00 may be used by the department annually for the purposes of outreach and marketing programs as specified in section 248(9).**

(b) ~~Criteria for student and institutional eligibility under subdivision (a), along with all other program requirements, must be established pursuant to a postsecondary scholarship program enacted into the law of this state that is effective by not later than September 30, 2023.~~

(c) ~~If a postsecondary scholarship program is not enacted into law with an effective date as described in subdivision (b), money in the postsecondary scholarship fund must remain in the postsecondary scholarship fund and not lapse to the general fund.~~

(6) For the fiscal year ending September 30, 2023, ~~\$250,000,000.00~~ **2024, \$300,000,000.00** is deposited into the postsecondary scholarship fund from the state general fund/general purpose money.

(7) It is the intent of the legislature that the postsecondary scholarship fund serves as the primary funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to increase annual deposits into the postsecondary scholarship fund by \$50,000,000.00 per year until the fully implemented costs of the Michigan achievement scholarship are deposited annually into the postsecondary scholarship fund.

Sec. 236k. (1) The amounts appropriated in section 236 for per-student floor funding are distributed to those public universities whose annual state appropriations per fiscal year equated student is less than \$4,500.00 and are to be allocated each year ~~over 3 years~~ until a funding floor of \$4,500.00 is met.

(2) The per-student floor funding allocation for fiscal year ~~2022-2023~~ **2023-2024** is an amount equal to ~~(the~~ the difference between \$4,500.00 and the amount calculated by dividing the annual state appropriations for fiscal year ~~2020-2021~~ **2022-2023** by total fiscal year equated students for all public universities for fiscal year ~~2020-2021~~ **2021-2022**. The amount paid to an eligible public university is the amount calculated in the immediately preceding sentence multiplied by that university's fiscal year equated students for fiscal year ~~2020-2021~~ **2021-2022**. If a calculation under this section results in an amount less than \$0.00, the payment under this section is equal to \$0.00. It is intended that each **public** university will reach a minimum funding level of at least \$4,500.00. ~~over 3 years~~.

(3) As used in this section:

(a) "Annual state appropriations" means the total of those amounts allocated in section 236(2) with the exception of MSU AgBioResearch and MSU Extension for the fiscal year ending September 30, ~~2021~~ **2023**.

(b) "Fiscal year equated students" means that term as used in the higher education institutional data inventory for the fiscal year ending September 30, ~~2021~~ **2022**.

Sec. 236m. (1) Funds appropriated in section 236(13) for infrastructure, technology, equipment, maintenance, and safety are intended to be used for necessary improvements and deferred maintenance of public university buildings, facilities, and other physical infrastructure; necessary improvements and deferred maintenance of information technology, other technology infrastructure, and other equipment; and other purposes related to infrastructure, technology, equipment, and maintenance. A public university may also use these funds for debt or to upgrade safety and security infrastructure. These funds are not intended to be used for any other purpose than what is specified in this section.

(2) To receive funds under this section, a public university must certify to the state budget director by January 1, 2024 that it did not receive an appropriation for a planning or construction authorization for a capital outlay project between January 1, 2023 and December 15, 2023.

(3) Funds appropriated in section 236(13) are distributed to each public university that certified it did not receive a capital outlay appropriation under subsection (2). The payment for each public university must be calculated based on each public university's respective share of total fiscal year equated students as reported to the higher education institutional data inventory for the fiscal year ending September 30, 2022 for all public universities that receive a payment under this section. Payments to public universities under this section must be distributed in 1 lump sum to each institution with the January 16, 2024 payment described in section 241.

Sec. 236n. For fiscal year 2022-2023 only, in addition to allocations under section 236(7) and (8), \$2,500,000.00 is allocated to the tuition incentive program, appropriated from federal revenues under the social security act, temporary assistance for needy families. The allocation in this section must be distributed in the same manner as funds for the tuition incentive program are distributed under section 256.

Sec. 241. (1) Subject to sections ~~241a, 241b, 241c, and 244, and 265a,~~ the funds appropriated in section 236 to public universities must be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2022~~ **2023**. Except for Wayne State University, each institution shall accrue its July and August ~~2022~~ **2024** payments to its institutional fiscal year ending June 30, ~~2023~~ **2024**.

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial aid program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data must be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30, 2022 shall submit preliminary HEIDI data by November 15, 2022 and final data by December 15, 2022. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer may withhold the monthly installments under subsection (1) to the public university until those data are submitted.

Sec. 241a. (1) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial aid program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data must be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30, 2023 shall submit preliminary HEIDI data by November 15, 2023 and final data by December 15, 2023.

(2) It is intended that accountability reporting for public universities will be streamlined through HEIDI. The state budget director and the center will work to combine the reporting requirements outlined in this subsection with the existing HEIDI collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each public university's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting requirements described in sections 241b and 241c.

(3) If a public university fails to submit HEIDI data and associated financial aid program information in accordance with the required reporting schedule, the state treasurer may withhold the monthly installments under section 241 to the public university until those data are submitted. If a public university does not comply with all of the requirements described in subsections (4) and (5) by the end of the fiscal year, the public university forfeits the amount withheld. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any public university.

(4) No later than October 15 each year, a public university shall maintain a public transparency website available through a link on its website homepage. The website must include all of the following concerning the public university:

(a) The annual operating budget and subsequent budget revisions.

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

(i) A chart of personnel expenditures, broken into the following subcategories:

(A) Earnings and wages.

(B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under subsection (1), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the public university.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(d) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(e) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(f) The institution's policy regarding the transferability of core college courses between community colleges and the public university.

(g) A listing of all community colleges that have entered into reverse transfer agreements with the public university.

(h) A dashboard or report card demonstrating the public university's performance in several "best practice" measures. The dashboard or report card must include at least all of the following for the 3 most recent academic years for which the data are available:

(i) Enrollment.

(ii) Student retention rate.

(iii) Six-year graduation rates.

(iv) Number of Pell grant recipients and graduating Pell grant recipients.

(v) Geographic origination of students, categorized as in-state, out-of-state, and international.

(vi) Faculty to student ratios and total public university employee to student ratios.

(vii) Teaching load by faculty classification.

(viii) Graduation outcome rates, including employment and continuing education.

(i) An icon badge that provides statewide consistency and public visibility. For this purpose, public universities shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each public university's website.

(j) A collection and report of the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, reported to the center and posted on its website under the budget transparency icon badge.

(5) No later than October 15 each year, a public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing, at a minimum, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the public university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) The public university's policies applicable to minors on university property.

(e) A directory of resources available at the public university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

Sec. 241b. (1) No later than October 15 each year, each public university that receives an appropriation in section 236 shall report its annual security report, also known as the Clery Act Report, as required under 20 USC 1092(f). Each public university shall include a title IX summary report that includes all of the following information:

(a) The amounts and descriptions of all fees incurred in title IX-related civil and criminal litigation.

(b) The number of title IX complaints.

(c) The average length of time for investigation and resolution of title IX complaints.

(d) The aggregate number of title IX cases, investigations, and complaints for each of the categories described in subparagraphs (i) to (v), subject to subparagraph (vi), as follows:

(i) Cases investigated for less than 15 days.

(ii) Cases investigated for at least 15 days and less than 30 days.

(iii) Cases investigated for at least 30 days and less than 60 days.

(iv) Cases investigated for at least 60 days and less than 90 days.

(v) Cases investigated for 90 days or more.

(vi) If, for any category of cases under subparagraphs (i) to (v), there is an aggregate of fewer than 5 cases investigated, the public university shall not report the aggregate number of cases and instead shall report that fewer than 5 cases were investigated.

(e) The number of title IX appeals and the resolutions of those appeals.

(f) The number of title IX-related complaints filed by the public university with law enforcement agencies.

(2) No later than October 15 each year, each public university that receives an appropriation in section 236 shall certify all of the following:

(a) The public university complies with federal regulations under title IX, as required by the United States Department of Education, including, but not limited to, the following:

(i) Use of medical experts that do not have an actual or apparent conflict of interest.

(ii) Issuance of title IX reports to complainants and respondents that are not divergent.

(iii) Notification of resources to each individual who reports having experienced sexual assault by a public university member.

(iv) Consistent annual training for title IX staff and law enforcement.

(b) The public university provides both of the following:

(i) An in-person sexual misconduct prevention presentation or course for all freshman and incoming transfer students, which must include contact information for the title IX office of the public university.

(ii) An online or electronic sexual misconduct prevention presentation or course for all students not considered freshmen or incoming transfer students.

(c) The public university had a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review must be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. Each public university shall have a third-party review once every 4 years and a copy of the third-party review must be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(d) The public university requires that the governing board and the president or chancellor of the public university receive quarterly reports from their title IX coordinator or title IX office. The report must contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the public university shall provide the report in a manner it considers appropriate. The public university shall protect the complainant's anonymity, and the report must not contain specific identifying information.

(e) If allegations against an employee are made in more than 1 title IX complaint that resulted in the public university finding that no misconduct occurred, the public university requires that the title IX officer promptly notify the president or chancellor and a member of the public university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the public university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(f) The public university's president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the public university.

(3) As used in this section, "sexual misconduct" includes, but is not limited to, intimate partner violence, nonconsensual sexual conduct, sexual assault, sexual exploitation, sexual harassment, and stalking.

Sec. 241c. (1) No later than the last business day of August each year, each public university that receives an appropriation in section 236 shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2023-2024 as part of the public university's higher education institutional data inventory (HEIDI) data. A public university shall report any revisions for any semester of the reported academic year to HEIDI within 15 days of being adopted.

(2) Payments under section 236 for operations increase and per-student floor funding must be made only to a public university that certifies to the state budget director by the last business day of August each year that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2022 for the 2022-2023 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2023-2024 academic year that is greater than 4.5% or \$676.00, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A public university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the 2023-2024 academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the public university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(3) Each public university must certify to the state budget director by the last business day of August each year that it complies with all of the following requirements:

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

(b) The public university does not and will not apply any of the following criteria when determining whether credits earned outside the public university by a student count toward a degree or certificate program offered by the public university:

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The public university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(4) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase or per-student floor funding has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

Sec. 241d. (1) The Michigan office of postsecondary educational attainment is created in the department of labor and economic opportunity. The office may use funds appropriated in this act or other funds appropriated to the department, if funds are available, to hire employees and enter into contracts with vendors for services, supplies, and other necessary purchases to do the following:

(a) Review and evaluate all state financial aid programs within the executive branch of government, with a focus on improving postsecondary educational outcomes, operations, and impact on college affordability, and make recommendations as to those improvements.

(b) Serve as the coordinating office for all agencies of the executive branch of government that are responsible for financial aid programs administered by the state.

(c) Survey stakeholders, including public, tribal, and private not-for-profit colleges and universities, state departments and agencies, and statewide postsecondary education associations, on student financial aid policy to improve this state's administration of programs under subdivision (a).

(d) Consolidate reports received from individual colleges and universities under articles II and III into a single statewide report for each separate reporting requirement, and make those consolidated reports with summary available to the governor and legislature.

(e) Provide analysis of data collected by the center, higher education information data inventory, and individual colleges and universities to assist students, prospective students, and their families in making decisions on postsecondary education.

(f) Provide recommendations that would improve the delivery of student financial aid, increase postsecondary attainment in this state, and assist with achieving the goals stated in sections 226e and 275j.

(2) By September 30, 2024, the office shall provide a report to the house and senate subcommittees on higher education, the house and senate fiscal agencies, and the state budget director. The report must include the following:

(a) A detailed list of expenditures made under this section.

(b) A detailed list of achievements, process improvements, reports, and other accomplishments of the office during the current fiscal year.

(c) A detailed list of recommendations that would improve the administration of student financial aid in this state.

(d) A detailed list of recommendations that would improve postsecondary attainment in this state.

(3) It is the intent of the legislature to recognize that state universities and community colleges remain under the supervision and control of their governing boards.

Sec. 248. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248a, pursuant to the administrative procedures for Michigan achievement scholarships of the department.

(2) As used in this section:

(a) “Department” means the department of treasury.

(b) “Eligible institution” means a public university that receives an appropriation in section 236, a community college that receives an appropriation in section 201, a federally recognized tribal college in this state, or an independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

(c) “Gift aid” includes federal Pell grants under 20 USC 1070a, tuition incentive program benefits under section 256, state tuition grants under section 252, awards received for minimum payments awarded in subsection (4), higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal, state, local, or institutional aid in the form of grants, scholarships, or discounts applied toward tuition and mandatory fees. Gift aid does not include student loans, work-study awards, qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.

(d) “High school equivalency certificate” means that term as defined in section 4.

(3) An individual must meet all of the following criteria and financial thresholds each year to be eligible for a Michigan achievement scholarship awarded under this section:

(a) Be a resident of this state for at least the immediately preceding year.

(b) Have graduated from high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(c) Be a full-time undergraduate student at an eligible institution, as defined by that eligible institution, and be a first-time enrollee in an eligible institution during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

(d) Maintain satisfactory academic progress, as defined by the eligible institution in which the student is enrolled.

(e) Not be incarcerated in a corrections institution.

(f) Not be in default on a federal student loan.

(g) ~~Timely complete~~ **Complete** the Free Application for Federal Student Aid and have an expected family contribution of \$25,000.00 or less.

(h) ~~Timely apply~~ **Apply** for all available gift aid for each academic year in which the individual applies for a Michigan achievement scholarship.

(4) Michigan achievement scholarships are subject to all of the following:

(a) Subject to section 248a(3)(f)(i), an eligible student may receive an award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges **unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121**. A student may not receive an award under this subsection and section 248a(3)(f)(i) during the same academic year.

(b) The amount awarded to an eligible student at an eligible institution that is a community college or federally recognized tribal college must equal the sum of following:

(i) A minimum payment of \$1,750.00, which is comprised of a base payment of \$1,000.00 plus an additional payment of \$750.00.

(ii) The lesser of \$1,000.00 or the student’s last-dollar payment amount.

(c) The amount awarded to an eligible student at an eligible institution that is a public university **or enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121**, must equal the sum of following:

(i) A minimum payment of \$2,500.00, which is comprised of a base payment of \$1,000.00 plus an additional payment of \$1,500.00.

(ii) The lesser of \$3,000.00 or the student’s last-dollar payment amount.

(d) The amount awarded to an eligible student at an eligible institution that is an independent nonprofit college or university must equal the sum of the following:

(i) A minimum payment of \$1,000.00.

(ii) The lesser of \$3,000.00 or the student’s last-dollar payment amount.

(e) Money awarded under this subsection for a Michigan achievement scholarship must be paid to the eligible institution for credit to the student’s account.

(f) As used in this subsection:

(i) “Last-dollar payment amount” means an amount equal to the tuition, ~~cost for an eligible student’s courses at the resident rate, regardless of whether the student actually incurred that rate, plus the student’s mandatory fees, and contact hours for each student’s actual program of study,~~ minus all gift aid received by the student.

(ii) “Resident rate” means the lowest tuition rate charged to in-state students by the eligible institution, including, if any, an in-district tuition rate. **“Minimum payment” means a payment eligible for any cost within the student’s individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student’s need-based financial aid. The minimum payment must not be reduced.**

(5) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

~~(6) The department from the funds appropriated in section 236(6) for the Michigan achievement scholarships, the department may not use more than \$10,000,000.00 for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship described in this section and section 248a and shall ensure that Michigan achievement scholarships are well publicized and that high school students are provided information on the program. The department may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to the Michigan achievement scholarship.~~ The department shall provide the necessary funding and staff to fully operate the program.

(7) The department shall convene a workgroup during the fiscal year ending September 30, 2024 to consider and advise the department on implementing policies for administering the Michigan achievement scholarship. The workgroup shall include participation from the Michigan Association of State Universities and its institutional members, the Michigan College Access Network, the Michigan Community College Association and its institutional members, the Michigan Independent Colleges and Universities and its institutional members, and any other interested stakeholders and offices as determined by the department. The workgroup shall make recommendations on packaging order, packaging structure, definitions of terms not otherwise defined in statute, and other administrative regulatory requirements as necessary to implement the Michigan achievement scholarship.

~~(8) (7)-~~The following reporting obligations apply to the Michigan achievement scholarship program:

(a) ~~Beginning December 1, 2023, by~~ **By May 1 and** December 1 of each year, the department shall provide a written report, organized by eligible institution, to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director that includes the following information for the previous academic year:

(i) The number of students who qualified for a Michigan achievement scholarship.

(ii) The number of students who received a Michigan achievement scholarship.

(iii) The average number of credits earned by students who received a Michigan achievement scholarship.

(iv) The number of Michigan achievement scholarships that were canceled due to failure to maintain satisfactory academic progress under subsection (3)(d).

(v) The number of Michigan achievement scholarships that were canceled due to a student ceasing attendance at an eligible institution. The number must not include any known transfers to another eligible institution.

(vi) The number of Michigan achievement scholarships that were canceled due to a student’s failure to maintain full-time status.

(vii) The average Michigan achievement scholarship award per student, delineated by sector, including community colleges, tribal colleges, public universities, independent colleges and universities, and training institutions. As used in this subparagraph, “training institutions” means training institutions accepted to participate in the Michigan achievement scholarship program under section 248a.

(b) Each eligible institution whose students receive awards under this section shall cooperate with the department in a timely manner to facilitate the creation of the report under subdivision (a).

~~(9) (8)-~~Beginning April 1, 2024, by April 1 of each year, each eligible institution shall submit a report that provides the following information to the department, the state budget office, and the house and senate fiscal agencies :

~~(a) A description of each financial aid or scholarship program offered by the eligible institution to undergraduate students attending that institution, including the minimum and maximum dollar amounts available to a qualifying student for each program and the types of costs that awards from each program may cover. At a minimum, this report must include the amount of institutional aid, including student loans, work-study awards, merit-based scholarships, and need-based grants, offered by the institution.~~

~~(b) A description of any changes made to institutional undergraduate financial aid programs between the current academic year and prior academic year.~~

~~(c) The providing information as to the~~ total institutional grant aid per full-year equated undergraduate student for the current institution fiscal year and for the immediately preceding 3 institution fiscal years. If the institution does not maintain total institutional grant aid per full-year equated undergraduate student at the average amount provided over the immediately preceding 3 institution fiscal years, the institution must include in the report a description of changes to institutional finances or the student population that prevented the institution from maintaining support for institutional aid. An institution's report of total institutional grant aid per full-year equated undergraduate student pursuant to this subdivision must be consistent with data most recently reported to the Integrated Postsecondary Education Data System.

~~(d) The number of students who received an award and the total dollar amount of awards for each program described under subdivision (a).~~

(10) (9) For each fiscal year, an eligible institution becomes ineligible for funding under this section if, in the immediately preceding fiscal year, the institution exceeds 1 of the following tuition restraint requirements, as applicable:

(a) For an eligible institution that is a community college, the tuition restraint described in section ~~230(5):217b.~~

(b) For an eligible institution that is a public university or independent nonprofit college or university, the tuition restraint described in section ~~265:241c.~~

(11) (10) It is the intent of the legislature that an eligible institution will not make **reductive** changes to scholarship or financial aid programs offered by that eligible institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

Sec. 248a. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248, pursuant to the administrative procedures for Michigan achievement scholarship private training program of the department.

(2) As used in this section:

(a) "Department" means the department of labor and economic opportunity.

~~(b) "Gift aid" means that term as defined in section 248.~~

~~(c) "High school equivalency certificate" means that term as defined in section 4.~~

~~(d) "Qualified occupational training program" and "qualified private training institution" mean those terms means that term as defined in section 13 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713.~~

(3) The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the Michigan achievement scholarship private training program as a ~~qualified private training~~ institutions offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria to qualify as a qualified occupational training program, and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list as a ~~qualified private training institution~~ before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program.

(d) Require that ~~qualified private training~~ institutions accepted to participate in the Michigan achievement scholarship private training program comply with data requests from the department as a condition of continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this section to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

(f) Award skills scholarships, subject to all of the following:

(i) A skills scholarship is a grant not to exceed \$2,000.00 per year to contribute to tuition costs for a qualified occupational training program at a ~~qualified private training~~ institution, both of which are approved under this section, for a training program participant who meets the requirements of subparagraph (ii). A skills scholarship is available under this section only if the program participant has applied for all other gift aid, if any is available, and must not cause the total amount of all gift aid, including a skills scholarship awarded under this section, if any, to **must not** exceed the full amount of the tuition charged for the training program. A program participant may receive a skills scholarship under this section for a maximum of 2 academic years.

(ii) To receive the skills scholarship described in subparagraph (i), a qualified occupational training program participant must meet all of the following:

(A) Be a resident of this state for at least the immediately preceding year.

(B) Have graduated from a high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(C) Not have previously earned an associate or baccalaureate degree.

(D) Not have previously earned a degree, certificate, or other credential using a skills scholarship awarded under this section.

(E) Timely complete a Michigan achievement scholarship private training program skills scholarship application in a form and manner determined by the department.

~~(F) Timely apply for all other gift aid, if any is available, for the qualified occupational training program.~~

~~(iii) Subject to subparagraph (iv), the~~ **The** department may award skills scholarships under this section only until money appropriated to the Michigan achievement scholarship private training program has been fully committed.

~~(iv) Once money allocated to the Michigan achievement scholarship private training program in section 236 has been fully committed, the department may continue to award skills scholarships under this section using money appropriated for Michigan reconnect grant program short-term training grants under section 201(7).~~

(g) Inform each recipient of a skills scholarship that the recipient will remain eligible for the Michigan achievement scholarship under section 248 for a maximum of 5 years, less any years of eligibility used for a skills scholarship awarded under this section, to pursue an associate degree, baccalaureate degree, or occupational certificate upon completion of a certification course of study ~~at a qualified private training institution in a qualified occupational training program.~~

(4) Except as otherwise provided in subsection (5), the department shall promulgate rules to implement subsection (3)(a), (b), and (d) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

(a) Under subsection (3)(a), the department is limited to developing the form for the application described in subsection (3)(a) and prescribing the time and manner of its completion.

(b) Under subsection (3)(b), the department is limited to applying the eligibility criteria described in subsection (3)(b) and shall not apply any other eligibility criteria.

(c) Under subsection (3)(d), the department is limited to requiring compliance with data requests as described in subsection (3)(d).

(5) To facilitate implementation of the Michigan achievement scholarship private training program prior to final rules being adopted, the department may develop and administer the program in accordance with its proposed rules or other policy or directive of the department established pursuant to this section.

(6) It is the intent of the legislature that a ~~qualified private training institution~~ will not make changes to scholarship or financial aid programs offered by that ~~qualified private training institution~~ that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program must be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual state competitive scholarship award per student, which must be \$1,500.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish an award amount equal to \$1,500.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$1,500.00 award amount. For the purpose of determining a student's financial need under section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall presume that a student who receives a Michigan achievement scholarship under section 248(4)(b) or (c) has no need for a state competitive scholarship under this section. **It is the intent of the legislature that 1964 PA 208, MCL 390.971 to 390.981, will be amended to end competitive scholarship eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2023, as those students may be eligible for the Michigan achievement scholarship.**

(3) The department of treasury shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has ~~his or her~~ **the student's** tuition, **contact hours**, and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the award must be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits must not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program must be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards must be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified, ~~and who apply by March 1 of each year for the next academic year.~~

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of treasury shall determine an actual tuition grant award per student, which must be \$3,000.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to \$3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$3,000.00 award amount. If the department determines that sufficient funds are available to establish an award amount equal to \$3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions must be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students must be notified of the adjustment by March 4 of each year.

(4) The department of treasury shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant must be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of treasury shall not award more than \$5,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the grant must be proportional for all eligible students enrolled in that college or university, as determined by the department. ~~The limit described in this subsection does not apply to any other student financial aid program or in combination with any other student financial aid program.~~

(7) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(8) By February 1 of each year, each independent college and university participating in the tuition grant program shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Sec. 254. The sums appropriated in section 236 for the state competitive scholarship, tuition incentive, and tuition grant programs ~~shall~~ **must** be paid out of the state treasury and ~~shall~~ **must** be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship and tuition grant programs, 50% ~~shall~~ **must** be paid at the beginning of the state's first fiscal quarter, 30% during the state's second fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's fourth fiscal quarter.

(b) For the tuition incentive program **and Michigan achievement scholarship**, 65% ~~shall~~ **must** be paid at the beginning of the state's first fiscal quarter, and 35% during the state's second fiscal quarter.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Be less than 20 years of age at the time ~~he or she~~ **the individual** graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when ~~he or she~~ **the individual** graduates from high school.

(ii) Be a United States citizen and a resident of this state according to institutional criteria.

(iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution ~~he or she attends~~ **attended by the individual**.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if ~~he or she~~ **the individual** was eligible for Medicaid from this state for 24 months within **any** 36 months prior to completion of high school or achievement of a high school equivalency certificate. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within **any** 36 months prior to completion of high school or achievement of a high school equivalency certificate. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. The department shall not do either of the following:

(i) Adopt or apply any total semester-credit or term-credit maximum that is less than the 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(ii) Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay

mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in ~~section 3(d) of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, sections 13(c) and section 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713 and 390.1717~~, each institution shall ensure that all known available restricted grants for tuition and fees are used before billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

~~Sec. 259. It is the intent of the legislature that the~~ The department of treasury shall continue an aggressive campaign to inform high school students about the financial aid programs offered by this state and the eligibility requirements for participation in those financial aid programs, including free or reduced tuition programs provided by community colleges and universities in this state.

Sec. 260. (1) The department of treasury shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide and update an online informational resource for students in grades 9 through 12 and prospective and current students and families. The online informational resource must be a website or a portion of an existing website titled "Paying for College in Michigan" and designed and maintained by the department of treasury that, to the extent practicable, contains information, including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

(b) Links to state and federal financial aid programs, including FAFSA and College Scorecard.

(c) Links to each promise zone website and the financial aid website to each community college, public university, and independent college and university in this state.

(d) Benefits of federal student loans that may no longer be available if a borrower refinances a loan.

(e) Direct links to net price calculators for each community college receiving an appropriation in section 201 and each public university receiving an appropriation in section 236.

(f) Definitions that clearly delineate the differences between scholarships, grants, and loans.

(g) A description of net price calculators and how to use them to create a personalized estimate of a student's out-of-pocket cost for the coming year based on basic family and financial information and likely financial aid eligibility.

(h) Information on the fundamentals of borrowing and repayment, including, but not limited to, all of the following:

(i) A link to the federal Public Service Loan Forgiveness Program **or other state or federal loan forgiveness programs.**

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

(iv) Estimating how much borrowing is needed for a given school year.

(v) ~~Evaluating financial aid offers.~~

(v) ~~(vi)~~ Factors that affect total student loan costs.

(vi) ~~(vii)~~ Tips for graduating with less student loan debt.

(vii) ~~(viii)~~ A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

(viii) ~~(ix)~~ Links to federal student loan entrance and exit counseling services and the FACT tool.

(ix) ~~(x)~~ Student loan debt relief scams.

(i) Loan amortization information.

(2) A **public** university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

(4) By November 1 of each year, the department of treasury shall inform each high school in this state about the website described in this section and encourage them to distribute the information to all students in grades 9 through 12.

(5) The department shall audit the website not less than once per year to ensure links continue to be accurate, active, and up-to-date for students and families.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2022-2023~~ **2023-2024** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Sec. 263a. (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) ~~shall~~ **must** include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and a specific accounting of Project GREEN **and the SEEDSS Initiative** expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:

(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(ii) The number of individuals utilizing MSU Extension's educational services.

(iii) External funds generated in support of research and extension.

(iv) Efforts to improve access to healthy foods for Michigan consumers.

Sec. 263b. **Included in the appropriation in section 236 for fiscal year 2023-2024 for MSU AgBioResearch and MSU Extension is funding for the SEEDSS Initiative. The SEEDSS Initiative is intended to address environmental sustainability of Michigan agriculture and enhance efforts to educate agricultural workers on improving agricultural environmental sustainability. "SEEDSS" is an acronym for Solving Emerging Environmental Developments and Securing Sustainability.**

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2022-2023~~ **2023-2024** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 268. (1) For the fiscal year ending September 30, ~~2023~~, **2024**, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each **public** university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) (iii)-The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the **public** university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) (iv)-The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully **transfer to a 4-year public or private university**, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) By January 1 of each year, a public university that receives an appropriation in section 236, or a tribal college receiving pass-through funds under section 269 or 270c, shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of civil rights.

(4) The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for **public** universities and data for community colleges.

Sec. 269. For fiscal year ~~2022-2023~~, **2023-2024**, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$31,000.00~~ **\$63,200.00** must be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of civil rights the necessary information for the college to be included in the report required under section 268.

Sec. 270c. For fiscal year ~~2022-2023~~, **2023-2024**, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$87,800.00~~ **\$90,200.00** is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of civil rights the necessary information for the community college to be included in the report required under section 268.

Sec. 275. (1) Each public university that receives an appropriation in section 236 shall do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317. ~~By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities on whether or not it has chosen to participate in the Yellow Ribbon GI Education Enhancement Program. If at any time during the fiscal year a university participating in the Yellow Ribbon Program chooses to leave the Yellow Ribbon Program, it shall notify the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities.~~

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the **National Guard-national guard** or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the **National**

~~Guard~~ **national guard** or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(e) Consider all veterans residents of this state for determining their tuition rates and fees.

(f) Waive enrollment fees for all veterans.

(g) Provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, ~~National Guard,~~ **national guard**, or military reserves duties and training obligations.

(h) Provide college level equivalent credit examination opportunities for veterans and active members of the military, ~~National Guard,~~ **national guard**, or military reserves within the first semester of enrollment.

(i) Grant college credit for, or create a structure that evaluates granting college credit for, the service background and experience of veterans and members of the military, ~~National Guard,~~ **national guard**, or military reserves.

(2) ~~By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the department of military and veterans affairs regarding services provided specifically to veterans and active military duty personnel, including, but not limited to, the services described in subsection (1).~~

(2) (3)-As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

Sec. 275k. (1) Not later than December 1 of each year, each university that receives an appropriation in section 236 that, in the current or previous academic year, serves or has served as an authorizing body as that term is defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501, shall submit a report to the house and senate appropriations committees and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school.

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

(f) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(g) The names of the members of the board of directors of each school currently authorized and the date that each member of each board was appointed.

(h) The name of the applicant who applied and received approval to organize each currently authorized school.

(i) The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1976 PA 451, MCL 380.502.

(j) Activities undertaken by each university to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest.

(k) A description of the activities undertaken by the university to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable.

(2) The department of education shall compile and publish on its website the reports required in this section.

Sec. 276. (1) Included in the appropriation for fiscal year ~~2022-2023~~ **2023-2024** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing

faculty ~~teaching or~~ **administration** careers in postsecondary education in this state. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student, ~~and faculty, or administration~~ populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.

(2) Each public university shall administer the program in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a ~~good-faith~~ **good-faith** effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By ~~April–June~~ **June** 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before ~~August–September~~ **September** 1 of each year, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty program at another **public** university to be awarded to an eligible candidate at that **public** university.

(c) Program allocations not expended or encumbered by September 30, ~~2024–2025~~ must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year ~~2022–2023–2023–2024~~, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

Sec. 277. (1) Included in the appropriation for fiscal year ~~2022–2023–2023–2024~~ for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds must not be expended to cover indirect costs. Not more than 20% of the university match may be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) Each public university shall administer the program described in this section in a manner prescribed by the department of labor and economic opportunity.

Sec. 278. (1) Included in ~~section 236~~ **the appropriation** for fiscal year ~~2022–2023–2023–2024~~ **for each public university in section 236** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution must not be greater than \$150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

Sec. 279. (1) Included in ~~section 236~~ **the appropriation** for fiscal year ~~2022–2023–2023–2024~~ **for each public university in section 236** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants must be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution must not be greater than \$150,000.00,

must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

Sec. 280. (1) Included in the appropriation for fiscal year ~~2022-2023~~ **2023-2024** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program, which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The department of labor and economic opportunity shall administer the program described in this section.

(3) The amount allocated to each **public** university is ~~\$10,494.00~~ **\$11,019.00** and is subject to an award period of no more than 2 years. Each **public** university receiving funds for fiscal year ~~2022-2023~~ **2023-2024** under this section shall report to the department of labor and economic opportunity by April 15, ~~2023~~ **2024** the amount of its unobligated and unexpended funds as of March 31, ~~2023~~ **2024** and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding reported as not being expended may be transferred, under the direction of the department, to another **public** university for use under this section.

Sec. 281. (1) Included in the appropriation for fiscal year ~~2022-2023~~ **2023-2024** for each **public university** in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section must be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.

(3) Approved teacher education institutions may and are encouraged to use select student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. (1) Each institution receiving funds for fiscal year ~~2022-2023~~ **2023-2024** under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, ~~2023~~ **2024** the unobligated and unexpended funds as of March 31, ~~2023~~ **2024** and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

(2) Funds received for the purpose of administering programs under sections 278, 279, and 281 must not be used for direct financial aid or indirect financial aid. However, a **public** university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection:

(a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies.

(b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.

Sec. 283. (1) Using the data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. The center shall work with the **public** universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals.

(2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.

(3) **The center shall conduct a review of the statewide longitudinal data system and associated data collection processes to identify strategies that would allow for the legal dissemination of student directory information for all students in grades 11 and 12 to Michigan public and independent nonprofit postsecondary institutions. The center shall collaborate with relevant stakeholders to recommend a process to share this data by June 30, 2024.**

Sec. 284a. Using data provided to the center as required by section 244 of this act, the center shall work to use the P-20 longitudinal data system to inform the legislature and public on postsecondary measures and outcomes by reporting postsecondary enrollment and other demographic information

by legislative district. The center shall work with the Michigan Association of State Universities, the Michigan Community College Association, Michigan Independent Colleges and Universities, and the Michigan Association of Secondary School Principals.

Sec. 296. (1) If the maximum amount appropriated under this act from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount ~~shall~~**must** not be expended in that state fiscal year and ~~shall~~**does** not lapse to the general fund, but instead ~~shall be~~**is** deposited into the school aid stabilization fund created in section 11a.

(2) If the total maximum amount appropriated under all articles of this act from the state school aid fund and the school aid stabilization fund exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 56, 147c, 147e(2)(a), and 152a ~~shall~~**must** be made in full. In addition, for districts beginning operations after 1994-95 that qualify for payments under section 22b, payments under section 22b ~~shall~~**must** be made so that the qualifying districts receive the lesser of an amount equal to the 1994-95 foundation allowance of the district in which the district beginning operations after 1994-95 is located or \$5,500.00. The amount of the payment to be made under section 22b for these qualifying districts ~~shall~~**must** be as calculated under section 22a, with the balance of the payment under section 22b being subject to the proration otherwise provided under this subsection and subsection (3). If proration is necessary, state payments under each of the other sections of article I from all state funding sources, and state appropriations to community colleges and public universities under articles II and III from the state school aid fund, ~~shall~~**must** be prorated in the manner prescribed in subsection (3) as necessary to reflect the amount available for expenditure from the state school aid fund for the affected fiscal year. However, if the department of treasury determines that proration will be required under this subsection, or if the department of treasury determines that further proration is required under this subsection after an initial proration has already been made for a fiscal year, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature at least 30 calendar days or 6 legislative session days, whichever is more, before the department reduces any payments under this act because of the proration. During the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, the department shall not reduce any payments under this act because of proration under this subsection. The legislature may prevent proration from occurring by, within the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, enacting legislation appropriating additional funds from the general fund, countercyclical budget and economic stabilization fund, state school aid fund balance, or another source to fund the amount of the projected shortfall.

(3) If proration is necessary under subsection (2), the department shall calculate the proration in district and intermediate district payments under article I that is required under subsection (2), and the department of treasury shall calculate the proration in community college and public university payments under articles II and III that is required under subsection (2), as follows:

(a) The department and the department of treasury shall calculate the percentage of total state school aid fund money that is appropriated and allocated under this act for the affected fiscal year for each of the following:

(i) Districts.

(ii) Intermediate districts.

(iii) Entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(iv) Community colleges and public universities that receive funding from the state school aid fund.

(b) ~~The Subject to subsection (4), the~~ department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(i) for districts by reducing payments to districts. This reduction ~~shall~~**must** be made by calculating an equal dollar amount per pupil as necessary to recover this percentage of the proration amount and reducing each district's total state school aid from state sources, other than payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 147c, 147e(2)(a), and 152a, by that amount.

(c) ~~The Subject to subsection (4), the~~ department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(ii) for intermediate districts by reducing payments to intermediate districts. This reduction ~~shall~~**must** be made by reducing the payments to each intermediate district, other than payments under sections 26a, 26b, 26c, 51a(2), 51a(11), 53a, 56, 147c, 147e(2)(a), and 152a, on an equal percentage basis.

(d) ~~The Subject to subsection (4), the~~ department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iii) for entities receiving funding from the state school aid fund under article I other than districts and intermediate districts by reducing payments to these entities. This reduction ~~shall~~**must** be made by reducing the payments to each of these entities, other than payments under sections 11j, 11m, 26a, 26b, and 26c on an equal percentage basis.

(e) The department of treasury shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iv) for community colleges and public universities that receive funding from the state school aid fund by reducing that portion of the payments under articles II and III to these community colleges and public universities, other than payments under sections 201(5) and 236(4), that is from the state school aid fund on an equal percentage basis.

(4) If a deposit from the school aid countercyclical budget and foundation stabilization fund is made into the state school aid fund for the purposes of eliminating or reducing proration, as provided in section 11z, the amount deposited into the state school aid fund must be used to reduce or eliminate the amount recovered from districts under subsection (3)(b), intermediate districts under subsection (3)(c), and entities receiving funding from the state school aid fund under article I other than districts and intermediate districts under subsection (3)(d). For the purposes of calculations under this subsection, the department shall do all of the following:

(a) Calculate the percentage of total state school aid fund money that is appropriated and allocated under this act for the affected fiscal year for each of the following:

(i) Districts.

(ii) Intermediate districts.

(iii) Entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(b) Multiply the resulting percentages calculated under subdivision (a) by the amount deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund to determine how much proration has been reduced or eliminated for districts, intermediate districts, and entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.

(c) Credit the resulting amounts calculated under subdivision (b) toward the total dollar amount necessary for recovery described in subsections (3)(b), (3)(c), and (3)(d), as applicable.

Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144, 2022 PA 212, 2023 PA 3, and by this amendatory act, from state sources for fiscal year 2022-2023 is estimated at \$17,632,218,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at \$16,036,571,400.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2023-2024 is estimated at \$19,258,857,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at \$17,622,688,000.00.

(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at \$544,517,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at \$544,517,500.00.

(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2022 PA 144, 2022 PA 212, and this amendatory act, is estimated at \$2,088,109,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at \$0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at \$2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at \$0.00.

Enacting section 2. Sections 23f, 27f, 30c, 31c, 31m, 31o, 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35g, 35h, 55, 61i, 67a, 67d, 67e, 97, 97b, 97c, 97d, 97f, 98a, 98b, 98c, 99i, 99j, 99cc, 99dd, 164g, 164h, 166, 166a, 209, 209a, 210h, 215, 216, 216a, 216b, 224, 225, 226, 226a, 226b, 226d, 226g, 227, 227a, 245, 245a, 265, 265a, 265b, 265f, 265g, 266a, 267, 271a, 274, 274c, 274d, 275f, 275g, 275h, 275i, and 281a of the state school aid act of 1979, 1979 PA 94, MCL 388.1623f, 388.1627f, 388.1630c, 388.1631c, 388.1631m, 388.1631o, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd, 388.1631ee, 388.1632u, 388.1635g, 388.1635h, 388.1655, 388.1661i, 388.1667a, 388.1667d, 388.1667e, 388.1697, 388.1697b, 388.1697c, 388.1697d, 388.1697f, 388.1698a, 388.1698b, 388.1698c, 388.1699i, 388.1699j, 388.1699cc, 388.1699dd, 388.1764g, 388.1764h, 388.1766, 388.1766a, 388.1809, 388.1809a, 388.1810h, 388.1815, 388.1816, 388.1816a,

388.1816b, 388.1824, 388.1825, 388.1826, 388.1826a, 388.1826b, 388.1826d, 388.1826g, 388.1827, 388.1827a, 388.1845, 388.1845a, 388.1865, 388.1865a, 388.1865b, 388.1865f, 388.1865g, 388.1866a, 388.1867, 388.1871a, 388.1874, 388.1874c, 388.1874d, 388.1875f, 388.1875g, 388.1875h, 388.1875i, and 388.1881a, are repealed effective October 1, 2023.

Enacting section 3. (1) Sections 3, 4, 6, 11, 11m, 11s, 11w, 11x, 20, 22a, 22b, 22d, 26c, 26d, 27b, 31d, 31f, 31p, 32d, 39a, 51a, 51c, 51e, 56, 62, 101, 104i, 121, 147a, 147b, 147e, and 236h of the state school aid act of 1979, 1979 PA 94, MCL 388.1603, 388.1604, 388.1606, 388.1611, 388.1611m, 388.1611s, 388.1611w, 388.1611x, 388.1620, 388.1622a, 388.1622b, 388.1622d, 388.1626c, 388.1626d, 388.1627b, 388.1631d, 388.1631f, 388.1631p, 388.1632d, 388.1639a, 388.1651a, 388.1651c, 388.1651e, 388.1656, 388.1662, 388.1701, 388.1704i, 388.1721, 388.1747a, 388.1747b, 388.1747e, and 388.1836h, as amended and sections 11v, 11z, 11aa, 12a, 22k, 22l, 23g, 27g, 27p, 29, 30d, 30e, 31k, 32e, 32v, and 236n of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, if granted immediate effect pursuant to section 27 of article IV of the state constitution of 1963, take effect on enactment of this amendatory act.

(2) Except as otherwise provided for those sections listed in subsection (1), the remaining sections of this amendatory act take effect October 1, 2023.

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled “An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts,” by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11w, 11x, 15, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31d, 31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d, 35f, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67c, 74, 81, 94, 94a, 95b, 97a, 97e, 98, 99h, 99s, 99t, 99u, 99x, 99aa, 99ee, 101, 104, 104f, 104h, 104i, 107, 121, 147, 147a, 147b, 147c, 147e, 152a, 152b, 163, 201, 202a, 206, 207a, 207b, 207c, 219, 223, 229a, 230, 236, 236b, 236c, 236h, 236j, 236k, 241, 248, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 275, 276, 277, 278, 279, 280, 281, 282, 283, and 296 (MCL 388.1603, 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611w, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667c, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1697e, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1699ee, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1704i, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1819, 388.1823, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836h, 388.1836j, 388.1836k, 388.1841, 388.1848, 388.1848a, 388.1851, 388.1852, 388.1854, 388.1856, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1896), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 35d, 35f, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147e, 152a, 152b, 201, 202a, 206, 207a, 207b, 207c, 229a, 230, 236b, 236c, 236h, 241, 252, 256, 259, 260, 263, 264, 268, 269, 270c, 275, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 11x, 27a, 27b, 27c, 31aa, 32n, 32t, 41b, 51e, 67c, 97e, 99ee, 104i, and 236k as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, sections 56, 236, 236j, and 251 as amended and sections 248 and 248a as added by 2022 PA 212, section 121 as amended by 2006 PA 342, section 163 as amended by 2021 PA 15, section 219 as amended by 2016 PA 249, section 223 as amended by 2021 PA 86, section 254 as amended by 2017 PA 108, sections 263a and 283 as amended by 2019 PA 62, and section 296 as amended by 2020 PA 165, and by adding sections 11v, 11z, 11aa, 12a, 12b, 12c, 22k, 22l, 23g, 23h, 23i, 25k, 27g, 27h, 27i, 27j, 27k, 27l, 27m, 27n, 27o, 27p, 27q, 29, 30d, 30e, 31k, 31r, 31ff, 32e, 32v, 32w, 32x, 33, 35i, 35j, 35k, 35l, 61j, 61k, 61l, 61m, 61n, 61o, 61p, 61q, 61r, 61s, 61t, 61u, 67f, 67g, 74b, 97g, 97i, 97j, 97k, 97l, 98d, 99a, 99b, 99d, 99e,

99f, 99g, 99m, 99n, 99ff, 99gg, 99hh, 99ii, 99jj, 99kk, 99ll, 107a, 147f, 164i, 216c, 217a, 217b, 236m, 236n, 241a, 241b, 241c, 241d, 263b, 275k, and 284a; and to repeal acts and parts of acts.

Darrin Camilleri	Regina Weiss
Sarah Anthony	Jason Morgan
Jon Bumstead	
Conferees for the Senate	Conferees for the House

The question being on the adoption of the conference report,
The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 446

Yeas—29

Anthony	Cherry	Klinefelt	Outman
Bayer	Damoose	McBroom	Polehanki
Bellino	Geiss	McCann	Santana
Brinks	Hauck	McDonald Rivet	Shink
Bumstead	Hertel	McMorrow	Singh
Camilleri	Huizenga	Moss	Webber
Cavanagh	Irwin	Nesbitt	Wojno
Chang			

Nays—8

Albert	Hoitenga	Lindsey	Theis
Daley	Johnson	Runestad	Victory

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.

Protests

Senator Albert under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference reports for House Bill No. 4437 and Senate Bill No. 173 and moved that the statement he made during the discussion of House Bill No. 4437 be printed as his reasons for voting “no.”
The motion prevailed.

Senator Albert’s statement is as follows:

Just a few months ago, our state budget surplus was estimated to be over \$9 billion. In the blink of an eye, with these votes today, it appears that 93 percent of that money will be as good as gone in less than a six-month period, and our essential state services will be in a much-weaker financial position because of it. This budget simply spends too much money and it is not sustainable. That puts essential services provided by the state at potential risk. Maybe not today, but it is certainly very possible in the near future.

The school aid balance looks to be whittled down to roughly \$220 million under the terms of this plan. The general fund situation is not much better. This is irresponsible. Spending every bit of money you have available, and not planning for the future, is a reckless strategy. No prudent person would spend like this within their own family budget.

It is also irresponsible within the state government. This budget grows big government and establishes programs that could be in financial jeopardy shortly after they begin if the economy worsens and revenues fall. This is not some abstract theoretical argument. There is data to show a need for caution, and adding 715 new full-time-equivalent positions is concerning. The last four monthly reports on Michigan's major taxes and net lottery revenue has been declining on a year-over-year basis. The year-over-year declines for May and April were 4.1 percent and 16.1 percent respectively. I question the sustainability of this plan, even in a good economy let alone one in an economic contraction.

What should we be doing instead? We should save more money for a rainy day and pay down more debt to put the state in a better financial position moving forward. We should not grow government simply for the sake of growing government. We should not spend more money than can be sustained. Many of my colleagues on the other side of the aisle often refer to themselves as the advocates for a progressive agenda, but this budget actually wipes out many prudent financial steps we have taken in recent years and moves our state backwards to the failed strategies of the past.

Does anyone here remember Michigan's Lost Decade? That period in the early 2000s when our state made headlines for all the wrong reasons. Reckless budgeting was not the only factor involved, but it did leave our state more vulnerable when faced with high unemployment and other economic problems. Funding for our schools and other services was slashed as a result. I want to make sure that our state never has to go through that again, and I urge a "no" vote.

Senator Camilleri asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Camilleri's statement is as follows:

I tell this story often because it really is emblematic of the experience of so many educators during the last decade. In 2014 I was a brand new teacher walking into my classroom in southwest Detroit. I had lots of hopes, dreams, and aspirations of how I was going to impact the world. I very quickly realized how much disinvestments so many of our classrooms had received at that time. I had no textbooks, no curriculum, and actually they made me department chair on day one. That was an experience for me that opened my eyes to the inequities that all of our students have, and in that moment I made it my mission to be not only the best educator I could for my kids, but to lift up the voices of all of our teachers for the rest of my career.

Here we are in 2023 and I had the honor and privilege of sitting here as the chair of this school budget, one that I am so proud to present to you today in collaboration with all of you in this chamber, as well as our colleagues across the other side of this Capitol Building. In it we are not only fixing what I had to go through as an educator, but we are creating generational change for the hundreds of thousands of Michigan students who all they want is to dream big and live the life that they want right here in this state.

This budget is the result of many, many conversations not just with those here in the Capitol but with our community members across the state of Michigan whether it was Detroit, Dearborn, Downriver, or Macomb, we took our committee on the road to listen to people and hear their concerns. In it we brought forth a budget that listened to them and invested in programs that we know are going to create that change. So whether it is school meals for all; a 5 percent foundation allowance; 100 percent funding for special education; 50 percent increase in the English-Language Learners line; brand new, unprecedented \$204 million in at-risk money with a sliding scale for our most-needy students, we have so much to be proud of. Not to mention the fact that this was done in a fiscally responsible way where we are expanding opportunities for our pre-K students and putting money in the bank to create a sustainable school budget for years to come.

We have a lot that we can go back home and talk about with this budget, and I hope you all do because this is built with both Democratic ideas and Republican ideas in mind. That is how school budgets should be. That is how they have been. That is how we are going to continue budgeting going forward.

I just want to say thank you to so many people who have been a part of this process who helped us get to this historic budget for our schools. First and foremost, to my team—Alissa Cravens and our Senate Fiscal team with Ryan Bergen, to our budget team with Lori Dey especially, as well as Andy Solon. We have so many skilled and talented staffers who have worked day and night to build this product. And a huge thank you to our entire Senate budget team with the Legislative Service Bureau, the Senate Fiscal Agency/Senate Fiscal analysts, as well as everybody behind the scenes who helped make this possible.

I also want to say thank you to the Senator from the 21st District, as well as the Senator from Grand Rapids—I don't remember your district number—but thank you for giving me the privilege of being in this position to make this budget possible.

We are creating a budget that is going to change the lives of so many students for a generation. They may not see that impact today, they may not see it tomorrow, but one day they might be standing in the board room, in the classroom, or right here in the Senate Chamber thinking about the impact that someone else made decades prior that gave them the that chance, that gave them that opportunity to live the life that they want.

I urge you to vote “yes,” invest in kids, invest in our educators, and help us support a historic budget for all of our Michigan students.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Singh moved that the following bills, now on the order of General Orders, be referred to the Committee on Appropriations:

House Bill No. 4246, entitled

A bill to make appropriations for the department of labor and economic opportunity for the fiscal year ending September 30, 2024; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

House Bill No. 4248, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

House Bill No. 4249, entitled

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

House Bill No. 4280, entitled

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

House Bill No. 4286, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11w, 11x, 15, 19, 20, 20d, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 27d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h, 99s, 99t, 99x, 99cc, 101, 104, 107, 121, 147, 147a, 147b, 147c, 147e, 152a, and 163 (MCL 388.1603, 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611w, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1627d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699cc, 388.1701, 388.1704, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h, 99s, 99t, 99x, 101, 104, 107, 147, 147a, 147b, 147e, and 152a as amended and sections 11x, 27a, 27b, 27c, 27d, 31aa, 32n, 32t, 41b, 51e, and 99cc as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, section 56 as

amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 12a, 12b, 12c, 22e, 22k, 22l, 22o, 23g, 23h, 27g, 27h, 27i, 27j, 27k, 30d, 30e, 31k, 31ff, 31gg, 32o, 32w, 32x, 35i, 35j, 35k, 67f, 74b, 97g, 98d, 99ff, 99gg, 99hh, 99ii, 107a, and 164i; and to repeal acts and parts of acts.

House Bill No. 4287, entitled

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

House Bill No. 4303, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 201, 202a, 206, 207a, 207b, 207c, 219, 223, 229a, and 230 (MCL 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1819, 388.1823, 388.1829a, and 388.1830), sections 201, 202a, 206, 207a, 207b, 207c, 229a, and 230 as amended by 2022 PA 144, section 219 as amended by 2016 PA 249, and section 223 as amended by 2021 PA 86, and by adding sections 217a and 217b; and to repeal acts and parts of acts.

House Bill No. 4304, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 236, 236b, 236c, 236j, 236k, 241, 248, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 275, 276, 277, 278, 279, 280, 281, 282, and 283 (MCL 388.1836, 388.1836b, 388.1836c, 388.1836j, 388.1836k, 388.1841, 388.1848, 388.1848a, 388.1851, 388.1852, 388.1854, 388.1856, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, and 388.1883), sections 236, 236j, and 251 as amended and sections 248 and 248a as added by 2022 PA 212, sections 236b, 236c, 241, 252, 256, 259, 260, 263, 264, 268, 269, 270c, 275, 276, 277, 278, 279, 280, 281, and 282 as amended and section 236k as added by 2022 PA 144, section 254 as amended by 2017 PA 108, and sections 263a and 283 as amended by 2019 PA 62, and by adding sections 236d, 241a, 241b, 241c, 263b, 270, and 284a; and to repeal acts and parts of acts.

House Bill No. 4309, entitled

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

The motion prevailed.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 8:19 p.m.

8:31 p.m.

The Senate was called to order by the President, Lieutenant Governor Gilchrist.

Senator Singh moved that the rules be suspended and that the following bill, now on Third Reading of Bills, be placed on its immediate passage:

Senate Bill No. 397

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the Senate returned to the order of

Messages from the House

Senate Bill No. 302, entitled

A bill to amend 2010 PA 270, entitled “Property assessed clean energy act,” by amending section 9 (MCL 460.939), as amended by 2017 PA 242.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.
The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment, printing and presentation to the Governor.

Senate Bill No. 303, entitled

A bill to amend 2010 PA 270, entitled “Property assessed clean energy act,” by amending the title and sections 3, 5, 7, 11, 13, 15, and 17 (MCL 460.933, 460.935, 460.937, 460.941, 460.943, 460.945, and 460.947), section 3 as amended by 2017 PA 242.
The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.
The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment, printing and presentation to the Governor.

Senator Singh moved that the Senate proceed to consideration of the following bill:
Senate Bill No. 56

The motion prevailed.

Senate Bill No. 56, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” by amending section 335 (MCL 750.335), as amended by 2002 PA 672.
The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.
The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the full title.
The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

By unanimous consent the Senate returned to the order of
Third Reading of Bills

Senator Singh moved that the Senate proceed to consideration of the following bill:
Senate Bill No. 397

The motion prevailed.

The following bill was read a third time:

Senate Bill No. 397, entitled

A bill to amend 1966 PA 346, entitled “State housing development authority act of 1966,” by amending section 32 (MCL 125.1432), as amended by 2020 PA 73.
The question being on the passage of the bill,
The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 447

Yeas—24

Anthony	Cherry	Klinefelt	Santana
Bayer	Damoose	McCann	Shink
Brinks	Geiss	McDonald Rivet	Singh
Camilleri	Hertel	McMorrow	Victory
Cavanagh	Huizenga	Moss	Webber
Chang	Irwin	Polehanki	Wojno

Nays—13

Albert	Hauck	Lindsey	Outman
Bellino	Hoitenga	McBroom	Runestad
Bumstead	Johnson	Nesbitt	Theis
Daley			

Excused—1

Lauwers

Not Voting—0

In The Chair: President

The Senate agreed to the title of the bill.

Announcements of Printing and Enrollment

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, June 27:

House Bill Nos. 4082 4352 4353 4520 4521 4569 4602 4644 4645 4646

The Secretary announced that the following House bills were received in the Senate and filed on Wednesday, June 28:

House Bill Nos. 4573 4619 4620 4621 4622 4623 4706 4752

The Secretary announced that the following bills were printed and filed on Tuesday, June 27, and are available on the Michigan Legislature website:

House Bill Nos. 4845 4846 4847 4848 4849 4850 4851 4852 4853 4854 4855 4856 4857 4858 4859

The Secretary announced that the following bills were printed and filed on Wednesday, June 28, and are available on the Michigan Legislature website:

Senate Bill Nos. 408 409 410 411 412 413 414 415 416 417

Committee Reports

The Committee on Health Policy reported

Senate Bill No. 281, entitled

A bill to amend 1956 PA 218, entitled “The insurance code of 1956,” (MCL 500.100 to 500.8302) by adding section 2094.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

Kevin Hertel
Chairperson

To Report Out:

Yeas: Senators Hertel, Wojno, Cherry, Klinefelt, Geiss, Webber, Hauck, Huizenga and Runestad
Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

The Committee on Labor reported

House Bill No. 4044, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by repealing section 15b (MCL 423.215b).

With the recommendation that the bill pass.

John Cherry
Chairperson

To Report Out:

Yeas: Senators Cherry, Camilleri and Cavanagh

Nays: Senator Albert

The bill was referred to the Committee of the Whole.

The Committee on Labor reported

House Bill No. 4233, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 10 (MCL 423.210), as amended by 2023 PA 9.

With the recommendation that the bill pass.

John Cherry
Chairperson

To Report Out:

Yeas: Senators Cherry, Camilleri and Cavanagh

Nays: Senator Albert

The bill was referred to the Committee of the Whole.

The Committee on Labor reported

House Bill No. 4354, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

With the recommendation that the bill pass.

John Cherry
Chairperson

To Report Out:

Yeas: Senators Cherry, Camilleri and Cavanagh

Nays: Senator Albert

The bill was referred to the Committee of the Whole.

The Committee on Labor reported

House Bill No. 4356, entitled

A bill to amend 1947 PA 336, entitled “An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,” by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

With the recommendation that the bill pass.

John Cherry
Chairperson

To Report Out:

Yeas: Senators Cherry, Camilleri and Cavanagh

Nays: Senator Albert

The bill was referred to the Committee of the Whole.

The Committee on Labor reported

House Bill No. 4357, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending section 164h (MCL 388.1764h), as amended by 2018 PA 265.

With the recommendation that the bill pass.

John Cherry

Chairperson

To Report Out:

Yeas: Senators Cherry, Camilleri and Cavanagh

Nays: Senator Albert

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Labor submitted the following:

Meeting held on Tuesday, June 27, 2023, at 8:30 a.m., Room 1300, Binsfeld Office Building

Present: Senators Cherry (C), Camilleri, Cavanagh and Albert

The Committee on Housing and Human Services reported

Senate Bill No. 397, entitled

A bill to amend 1966 PA 346, entitled "State housing development authority act of 1966," by amending section 32 (MCL 125.1432), as amended by 2020 PA 73.

With the recommendation that the bill pass.

Jeff Irwin

Chairperson

To Report Out:

Yeas: Senators Irwin, Santana, Cavanagh, Bayer, Shink, Chang, Cherry, Geiss and Damoose

Nays: Senator Lindsey

The bill was referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Housing and Human Services submitted the following:

Meeting held on Tuesday, June 27, 2023, at 1:00 p.m., Room 403, 4th Floor Capitol Building

Present: Senators Irwin (C), Santana, Cavanagh, Bayer, Shink, Chang, Cherry, Geiss, Lindsey, Hoitenga and Damoose

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Senate Bill No.173 submitted the following:

Meeting held on Wednesday, June 28, 2023, at 8:15 a.m., Room 352, House Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Camilleri (C), Anthony, Bumstead

COMMITTEE ATTENDANCE REPORT

The Conference Committee on House Bill No. 4437 submitted the following:

Meeting held on Wednesday, June 28, 2023, at 8:30 a.m., Room 352, House Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Anthony, McCann, Bumstead

Senator Singh moved that the Senate adjourn.
The motion prevailed, the time being 8:37 p.m.

The President, Lieutenant Governor Gilchrist, declared the Senate adjourned until Thursday, June 29, 2023, at 10:00 a.m.

DANIEL OBERLIN
Secretary of the Senate

