

(b) Determine the extent of coordination and cooperation among currently available programs and services administered by the department and by other departments and agencies of this state.

(c) Identify methods to enhance coordination of current services delivery.

(d) Identify potential available public and private resources and services.

(e) Develop a plan to ensure that all current public and private resources and services are effectively organized and available.

(f) Recommend actions to enhance services.

(2) The director of the department shall seek participation on the task force created under subsection (1) from all of the following:

(a) The director of the department of community health or the director's designee.

(b) The director of the department of labor and economic growth or the director's designee.

(c) The superintendent of public instruction or the superintendent's designee.

(d) The state court administrator or his or her designee.

(e) The association for children's mental health.

(f) The children's charter of the courts of Michigan.

(g) The Michigan probate judges association.

(h) The Michigan community mental health boards.

(i) Fight crime: invest in kids - Michigan.

(j) The Michigan association of school administrators.

(k) The Michigan association of united ways.

(l) The Michigan council on crime and delinquency.

(m) The Michigan federation for children and families.

(n) The Michigan network for youth and families.

(o) Michigan's children.

(p) The school-community health alliance of Michigan.

(q) The student advocacy center of Michigan.

(r) The Skillman foundation.

(s) The W.K. Kellogg foundation.

(t) The C.S. Mott foundation.

(u) The Frey foundation.

(v) The Annie E. Casey foundation.

(w) Youth and adults who are currently or were formerly served by 1 or more services provided by the department to at-risk youth.

(x) Representatives of faith-based organizations.

(3) By June 30, 2006, the task force created under subsection (1) shall report to the department. The report shall include the task force findings, assessments, plan, and recommendations under subsection (2).

(4) By September 30, 2006, the department shall provide to the senate and house of representatives standing committees with primary jurisdiction over human service matters, the senate and house of representatives appropriations subcommittees for the department

budget, the senate and house fiscal agencies and policy offices, and the state budget office the task force's report under subsection (3) and identify any actions the department has taken or intends to take as a result of the report.

## **PUBLIC ASSISTANCE (ADULTS LIVE AND WORK IN THE COMMUNITY)**

### **Rent vendoring.**

Sec. 601. (1) The department may terminate a vendor payment for shelter upon written notice from the appropriate local unit of government that a recipient's rental unit is not in compliance with applicable local housing codes or when the landlord is delinquent on property tax payments. A landlord shall be considered to be in compliance with local housing codes when the department receives from the landlord a signed statement stating that the rental unit is in compliance with local housing codes and that statement is not contradicted by the recipient and the local housing authority. The department shall terminate vendor payments if a taxing authority notifies the department that taxes are delinquent.

(2) Whenever a client agrees to the release of his or her 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 such time as the local authority indicates in writing that local housing codes have been met.

(3) In order to participate in the rent vendoring programs of the department, a landlord shall cooperate in weatherization and conservation efforts directed by the department or by an energy provider participating in an agreement with the department when the landlord's property has been identified as needing services.

### **Direct payments to energy providers.**

Sec. 603. (1) The department, as it determines is appropriate, shall enter into agreements with energy providers by which cash assistance recipients and the energy providers agree to permit the department to make direct payments to the energy providers on behalf of the recipient. The payments may include heat and electric payment requirements from recipient grants and amounts in excess of the payment requirements.

(2) The department shall establish caps for natural gas, wood, electric heat service, deliverable fuel heat services, and for electric service based on available federal funds.

(3) The department shall review and adjust the standard utility allowance for the state food assistance program to ensure that it reflects current energy costs in the state.

### **State disability assistance program.**

Sec. 604. (1) 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 meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.

(d) A person receiving 30-day postresidential substance abuse treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person as defined in subdivision (a), (b), (e), or (f) above.

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied to applicants for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person 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.

(4) A refugee or asylee who loses his or her eligibility for the federal supplemental security income program by virtue of exceeding the maximum time limit for eligibility as delineated in 8 USC 1612 and who otherwise meets the eligibility criteria under this section shall be eligible to receive benefits under the state disability assistance program.

### **State disability assistance recipients in licensed adult foster care facilities; level of reimbursement.**

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.

### **Assistance repayment by recipient of retroactive supplemental security income benefits.**

Sec. 606. County family independence agencies shall require each recipient of 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 state disability assistance program upon receipt of retroactive supplemental security income benefits.

### **Recoveries and accruals.**

Sec. 607. 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 shall include all related net recoveries received during the current fiscal year.

**Third-party payments.**

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 shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

**State supplementation level.**

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 fiscal year beginning October 1, 2005 and ending September 30, 2006.

**Emergency relief; exemptions.**

Sec. 610. 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.

**Burial services; additional payments to providers.**

Sec. 611. (1) The department shall not require providers of burial services to accept state payment for indigent burials as payments in full. Each provider shall be permitted to collect additional payment from relatives or other persons on behalf of the deceased. The total in additional payments shall not exceed \$2,600.00.

(2) Any additional payment collected pursuant to subsection (1) shall not increase the maximum charge limit for state payment as established by law.

**Housing affordability eligibility.**

Sec. 612. 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.

**Indigent burials; maximum allowable charge.**

Sec. 613. From the funds appropriated in part 1 for state emergency relief, the maximum allowable charge limit for indigent burials shall be \$909.00. The funds shall be distributed as follows: \$579.00 for funeral directors; \$192.00 for cemeteries or crematoriums; and \$138.00 for the provider of the vault.

**Burial services funds; availability.**

Sec. 614. The funds available in part 1 for burial services shall be available if the deceased was an eligible recipient and an application for emergency relief funds was made within 10 days of the burial or cremation of the deceased person. Each provider of burial services shall be paid directly by the department.

**Public assistance to illegal alien.**

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This

section shall not prohibit the department from entering into contracts with food banks or emergency shelter providers who may, as a normal part of doing business, provide food or emergency shelter to individuals.

#### **Weatherization program.**

Sec. 616. The appropriation in part 1 for the weatherization program shall be expended in such a manner that at least 25% of the households weatherized under the program shall be households of families receiving 1 or more of the following:

- (a) Family independence assistance.
- (b) State disability assistance.
- (c) Food assistance.
- (d) Supplemental security income.

#### **Minor parent's adult supervised household; living arrangement.**

Sec. 617. In operating the family independence program with funds appropriated in part 1, the department shall not approve as a minor parent's adult supervised household a living arrangement in which the minor parent lives with his or her partner as the supervising adult.

#### **Reduction, termination, or suspension of assistance without prior notice.**

Sec. 618. The department may only reduce, terminate, or suspend assistance provided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of the following situations:

- (a) The only eligible recipient has died.
- (b) A recipient member of a program group or family independence assistance group has died.
- (c) A recipient child is removed from his or her family home by court action.
- (d) A recipient requests in writing that his or her assistance be reduced, terminated, or suspended.
- (e) A recipient has been approved to receive assistance in another state.
- (f) A change in either state or federal law that requires automatic grant adjustments for classes of recipients.
- (g) The only eligible recipient in the household has been incarcerated.

#### **Benefits provided to certain convicted felons; conditions.**

Sec. 619. The department shall exempt from the denial of title IV-A assistance and food assistance benefits, contained in 21 USC 862a, any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, provided that the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

- (a) A third-party payee or vendor shall be required for any cash benefits provided.
- (b) An authorized representative shall be required for food assistance receipt.

#### **Multicultural assimilation and support services.**

Sec. 621. Funds appropriated in part 1 may be used to support multicultural assimilation and support services. The department shall distribute all of the funds described in this section based on assessed community needs.

**Expenditures for day care services from EQUIP grants.**

Sec. 627. (1) From the funds appropriated in part 1 for day care services, the department may contract to administer an amount not to exceed \$1,350,000.00 for the “enhance quality improvement program” (EQUIP) grants. A priority for the expenditure of EQUIP funds shall be given to providers to expand access to child care, specifically 24-hour care, care for children of parents working evening or night shifts, and weekend care. A child care program shall not be eligible for an EQUIP grant unless 25% or more of its clients receive day care payments from the department.

(2) From the funds appropriated in part 1 for day care services, the department may establish an additional fund of at least \$350,000.00 for a grant pool for an “enhance quality improvement program” (EQUIP) specifically to establish new family and group home day care providers.

**Domestic violence; policies and procedures.**

Sec. 631. The department shall maintain policies and procedures to achieve all of the following:

- (a) The identification of individuals on entry into the system who have a history of domestic violence, while maintaining the confidentiality of that information.
- (b) Referral of persons so identified to counseling and supportive services.
- (c) In accordance with a determination of good cause, the waiving of certain requirements of family independence programs where compliance with those requirements would make it more difficult for the individual to escape domestic violence or would unfairly penalize individuals who have been victims of domestic violence or who are at risk of further domestic violence.

**Listing of child day care provider on child abuse and neglect registry.**

Sec. 635. Within 6 business days of receiving all information necessary to process an application for payments for child day care, the department shall determine whether the child day care provider to whom the payments, if approved, would be made, is listed on the child abuse and neglect central registry. If the provider is listed on the central registry, the department shall immediately send written notice denying the applicant’s request for child day care payments.

**Infant and toddler incentive payments.**

Sec. 640. (1) From the funds appropriated in part 1 for day care services, the department may continue to provide infant and toddler incentive payments to child day care providers serving children from 0 to 2-1/2 years of age who meet licensing or training requirements.

(2) The use of the funds under this section should not be considered an ongoing commitment of funding.

**R.E.A.D.Y. kits.**

Sec. 641. In collaboration with Central Michigan University, the department shall develop and disseminate read, educate, and develop youth (R.E.A.D.Y.) kits to parents of preschool and kindergarten children to provide these parents with information about how they can prepare their children for reading success.

**Reporting of TANF eligibility information by homeless shelters.**

Sec. 643. As a condition of receipt of federal TANF funds, homeless shelters 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 shelter contracts, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements which exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

### **Individual or family escaping domestic violence considered as homeless.**

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.

### **Assistance payments to recipients beyond 5-year limit.**

Sec. 648. From the funds appropriated in part 1 for public assistance, the department may make assistance payments to recipients beyond the 5-year limit set by the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 110 Stat. 2105, providing the recipient is complying with asset, income, and participation standards set as a condition of eligibility to receive assistance and clearly demonstrates that he or she is making progress in becoming self-sufficient.

### **Victim of domestic violence; exemption from food assistance limitation.**

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence 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.

### **Before- or after-school program.**

Sec. 657. (1) The department shall fund a statewide before- or after-school program to provide youth with a safe, engaging environment to motivate and inspire learning outside the traditional classroom setting. Before- or after-school program eligibility is limited to geographic areas near school buildings that do not meet federal no child left behind annual yearly progress (AYP) requirements and that include the before- or after-school programs in the AYP plans as a means to improve outcomes. Before-school programs are limited to elementary school-aged children. Effective before- or after-school programs combine academic, enrichment, and recreation activities to guide learning and inspire children and youth in various activities. The before- or after-school programs can meet the needs of the communities served by the programs.

(2) The department shall work in collaboration with independent contractors to put into practice a program establishing quality before- or after-school programs for children in kindergarten to ninth grades. In order for an independent contractor to receive TANF funds, a child served must be a member of a family with an income that does not exceed 200% of the federal poverty guidelines published by the United States department of health and human services.

(3) The department shall, through a competitive bid process, provide grants or contracts up to \$5,000,000.00 in TANF funds for the program based on community needs. A county shall receive no more than 20% of the funds appropriated in part 1 for this program.



From the funds appropriated in part 1 for before- or after-school programs within day care services, the department is authorized to make allocations of funds only to the agencies that report necessary data to the department for the purpose of meeting TANF and maintenance of effort eligibility reporting requirements. The use of funds under this section should not be considered an ongoing commitment of funding.

(4) The before- or after-school programs shall include academic assistance, including assistance with reading and writing, and at least 3 of the following topics:

- (a) Abstinence-based pregnancy prevention.
- (b) Chemical abuse and dependency including nonmedical services.
- (c) Gang violence prevention.
- (d) Preparation toward future self-sufficiency.
- (e) Leadership development.
- (f) Case management or mentoring.
- (g) Parental involvement.
- (h) Anger management.

(5) The department may enter into grants or contracts with independent contractors including, but not limited to, faith-based organizations, boys or girls clubs, schools, or nonprofit organizations. The department shall grant priority in funding independent contractors who secure at least 25% in matching funds. The matching funds may either be fulfilled through local, state, or federal funds, and/or through in-kind or other donations.

(6) A referral to a program may be made by, but is not limited to, any of the following: a teacher, counselor, parent, police officer, judge, or social worker.

(7) By January 30, 2006, the department before- or after-school program expenditures shall be audited and the department shall work in collaboration with independent contractors to provide a report on the before- or after-school program to the senate and house standing committees dealing with human services, the senate and house appropriations subcommittees for the department budget, the senate and house fiscal agencies, and the senate and house policy offices. The report shall include the number of participants and the average cost per participant, as well as changes noted in program participants in any of the following categories:

- (a) Juvenile crime.
- (b) Aggressive behavior.
- (c) Academic achievement.
- (d) Development of new skills and interests.
- (e) School attendance and dropout rates.
- (f) Behavioral changes in school.

### **Food bank funding; allocation of TANF funds to agencies reporting necessary data.**

Sec. 660. From the funds appropriated in part 1 for food bank funding, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.



**Public transportation needs.**

Sec. 665. The department shall partner with the department of transportation to use TANF and other sources of available funding to support public transportation needs of TANF-eligible individuals. This partnership shall place a priority on transportation needs for employment or seeking employment or medical or health-related transportation.

**Participation in federal earned income tax credit.**

Sec. 666. The department shall continue efforts to increase the participation of eligible family independence program recipients in the federal earned income tax credit. The department shall report on the efforts to increase participation to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services, the senate and house fiscal agencies and policy offices, and the state budget director no later than December 31, 2005.

**Community-based program available to children ages 6 to 15.**

Sec. 668. (1) In coordination with the Michigan alliance of boys and girls clubs, the department may expend \$250,000.00 in TANF funds to make allocations for a statewide collaborative project to develop a community-based program available to children ages 6 to 15.

(2) The department shall make allocations of TANF funds under this section only to agencies that report necessary data to the department for the purpose of meeting the TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment.

(3) The department shall grant priority in funding to programs that provide at least 10% in matching funds. The matching funds requirement shall be fulfilled through any combination of local, state, or federal funds or in-kind or other donations. A program that cannot meet the matching requirement shall not be excluded from applying for a contract.

**Cash and food assistance; distribution by debit cards; clothing allowance.**

Sec. 669. (1) The department shall distribute cash and food assistance to recipients electronically by using debit cards.

(2) The department shall allocate up to \$7,167,500.00 for the annual clothing allowance. The allowance shall be granted to all eligible children as defined by the department.

**Kinship care.**

Sec. 670. The funds appropriated in part 1 for kinship care in the fiscal year ending September 30, 2006 reflect the legislature's commitment to reduce the benefit discrepancy between kinship care and a similar family size within the family independence agency program (FIP). The legislature recognizes the commitment of relatives to provide family continuity, nurturance, and care for this special population of children who can no longer remain in their parents' care due to abuse, neglect, or other social problems.

**Participation in child day care program; notice of reduced or eliminated eligibility.**

Sec. 673. The department shall immediately send notification to a client participating in the state child day care program and his or her child day care provider if the client's eligibility is reduced or eliminated.

**Reduction in waste, fraud, and abuse within child day care program; plan.**

Sec. 674. The department shall develop and implement a plan to reduce waste, fraud, and abuse within the child day care program, including feasibility for expanding wage

match and employer verification, unannounced home call verification at day care sites, compliance with recommendations of the auditor general in the May 2005 performance audit of the child day care and child welfare licensing divisions, and other process changes. Beginning December 31, 2005, the department shall report annually to the senate and house appropriations subcommittees for the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on plan details and implementation status.

### **Child day care rate structure; implementation.**

Sec. 675. The department shall utilize the most recent market rate survey to explore potential costs to implement a child day care rate structure that more accurately reflects the costs of care by vicinity. By March 1, 2006, the department shall report the results of the analysis to the senate and house subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office.

### **Michigan after-school partnership.**

Sec. 676. (1) The department shall collaborate with the state board of education to extend the duration of the Michigan after-school partnership and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(2) From the funds appropriated in part 1, \$25,000.00 may be used to support the Michigan after-school partnership and shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(3) Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the senate and house committees on appropriations, the senate and house fiscal agencies and policy offices, and the state budget director.

### **FIP cases involved in employment-related activities; percentage.**

Sec. 677. The department shall establish a state goal for the percentage of family independence program (FIP) cases involved in employment activities. The percentage established shall not be less than 50%. On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the current percentage of FIP cases involved in employment activities. If the FIP case percentage is below the goal for more than 2 consecutive quarters, the department shall develop a plan to increase the percentage of FIP cases involved in employment-related activities. The department shall deliver the plan during the next annual budget presentation to the senate and house appropriations subcommittees on the department budget.

### **Early childhood investment corporation; cost and revenue implications; selection criteria for establishing contracts.**

Sec. 678. The department shall provide the senate and house of representatives appropriations subcommittees on the department budget with the cost and revenue implications for the early childhood investment corporation (ECIC) at least 3 months before a request for a transfer or supplemental appropriation. Additionally, all contracts entered into shall be bid out through a statewide request-for-proposal process, and the

department shall report to the senate and house of representatives appropriations subcommittees on the department budget on the selection criteria for establishing contracts with intermediate school districts at least 30 days prior to the issuance of a request for a proposal. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget by October 1, 2005 at least the following information related to the status of the ECIC:

- (a) The cost.
- (b) The implementation plan.
- (c) The projected funding sources.
- (d) All contracts entered into by the department.

### **Achievement of self-sufficiency; pilot programs.**

Sec. 679. By January 1, 2006, the department shall implement 1 pilot program in 4 to 6 of the departmentally recognized shelter areas to assist long-term family independence program recipients to achieve self-sufficiency. The pilot programs shall not include policies that result in weakened exemptions for work participation or weakened sanctions for noncompliance with work requirements. The department shall report, by June 1, 2006, to the house and senate appropriations committees and house and senate fiscal agencies the policies established, the sanctions applied to participants, an assessment of barriers to employment, and services needed to address those barriers. The pilot report shall also include recommendations to reduce the number of recipient caseloads receiving cash assistance for more than 48 months. The pilot shall also include any legislatively enacted changes to sections 57f and 57g of the social welfare act, 1939 PA 280, MCL 400.57f and 400.57g.

## **JUVENILE JUSTICE SERVICES (REHABILITATION)**

### **Expansion of facilities; public hearing.**

Sec. 702. Expansion of facilities funded under part 1 for juvenile justice services shall not be authorized by the joint capital outlay subcommittee of the appropriations committees until the department has held a public hearing in the community where the facility proposed to be expanded is located.

### **Delivery of juvenile justice residential programs; goals, objectives, and performance standards.**

Sec. 705. (1) The department, in conjunction with private juvenile justice residential programs, shall develop a methodology for measuring goals, objectives, and performance standards for the delivery of juvenile justice residential programs. These goals, objectives, and performance standards shall apply to both public and private delivery of juvenile justice residential programs, and data shall be collected from both private and public juvenile justice residential programs that can be used to evaluate performance achievements, including, but not limited to, the following:

- (a) Admission and release data and other information related to demographics of population served.
- (b) Program descriptions and information related to treatment, educational services, and conditions of confinement.
- (c) Program outcomes including recidivism rates for youth served by the facility.

(2) The department during the annual budget presentation shall outline the progress of the development of the goals, objectives, and performance standards, as well as the information collected through the implementation of the performance measurement program. The presentation shall include all of the following:

- (a) Trends in census and population demographics.
- (b) Program outcomes.
- (c) Staff and resident safety.
- (d) Facility profile.
- (e) Fiscal information necessary for qualitative understanding of program operations and comparative costs of public and private facilities.

### **Information networks.**

Sec. 714. (1) The department shall provide technical assistance for counties to develop information networks including, but not limited to, serious habitual offenders comprehensive action program (SHOCAP), juvenile justice on-line technology (JJOLT), and juvenile violent reporting system (JVRS).

(2) The department shall assist counties in identifying funding sources for the networks, including, but not limited to, the child care fund and the juvenile accountability incentive block grant.

(3) The local units of government shall report to the department on expenditures of their juvenile justice information networks in concert with their requests for reimbursement from the child care fund.

(4) The department shall report to the senate and house appropriations subcommittees for the department budget, the senate and house fiscal agencies and policy offices, and the state budget director by January 15, 2006 on department efforts to encourage county information networks development described in subsection (1).

### **Recommendations of 2001 joint house and senate task force; implementation; report.**

Sec. 715. (1) It is the intent of the legislature that the primary function of the juvenile justice system shall be to promote the protection of individuals and communities through the reduction of juvenile crime.

(2) The department shall report to the senate and house appropriations subcommittees for the department budget, the senate and house fiscal agencies and policy offices, and the state budget director by October 30, 2005 on the status of implementing recommendations of the 2001 joint house and senate task force on juvenile justice, including, but not limited to, the following:

(a) Mentoring programs that focus on improving communication and collaboration, encourage quality mentoring programs, recruitment of mentors, and increasing public awareness of and participation in programs for at-risk youth.

(b) Discussion of programs relating to juvenile information networks as an Internet-based communication tool that assists with case management of juvenile offenders in the area.

(c) Discussion of the possibility of implementing a program modeled after the “Wisconsin citizenship initiative” to collaborate with the before- or after-school programs offered under the authority of this act.

(d) Exploration of the option of a summit conducted via the Internet to discuss measures relating to the prevention and intervention of at-risk youth.

(e) Discussion of California's "8% early intervention" program that focuses on aggressive early intervention and treatment of young, high at-risk juvenile offenders and their families.

(f) Multisystem therapy.

(g) Youth service projects.

(h) Community services projects.

### **State juvenile justice facility; notice of closure or change of status.**

Sec. 719. The department shall notify the legislature at least 30 days before closing or making any change in the status of a state juvenile justice facility.

### **High security juvenile services; allocation of money; placement of offenders; aftercare services.**

Sec. 720. (1) The goal of high security juvenile services funded in part 1 shall be to protect the general public from dangerous juvenile offenders while providing rehabilitation services to those offenders to safely prepare them for entry into society.

(2) The department shall take into consideration the recommendations on a methodology for measuring goals, objectives, and performance standards developed in conjunction with private providers of juvenile justice residential programs required in section 705 of 2004 PA 344.

(3) The department shall allocate money to public and private providers of high security juvenile services based on their ability to demonstrate results in all of the following:

(a) Lower recidivism rates.

(b) Higher school completion rates or GED completion rates.

(c) Shorter average stays in a residential facility.

(d) Lower average cost per resident.

(e) Availability of appropriate services to residents.

(4) The department shall comply with section 1150 of the social welfare act, 1939 PA 280, MCL 400.1150, regarding placement of juvenile offenders, and shall refer to that statutory requirement in making referral recommendations to courts for secure residential programs.

(5) The department shall require, if possible and practical, that aftercare services for a juvenile offender be provided by the same organization or provider that provided residential care for that juvenile.

### **Medium or low security juvenile services; allocation of money; placement of offenders; aftercare services.**

Sec. 721. (1) The goal of medium or low security juvenile services shall be effective treatment of juvenile offenders to safely prepare them for entry into society.

(2) The department shall allocate money to public and private providers of medium or low security juvenile services based on their ability to demonstrate results in all of the following:

(a) Reduced rates of recidivism.

(b) Higher rates of high school or GED completion.

(c) Shorter average stays in a residential facility.

(d) Availability of appropriate services to residents.

(3) The department shall comply with section 115o of the social welfare act, 1939 PA 280, MCL 400.115o, regarding the placement of juvenile offenders, and shall refer to that statutory requirement in making referral recommendations to courts for residential treatment programs.

(4) The department shall require, if possible and practical, that aftercare services for a juvenile offender be provided by the same program or provider that provided treatment for the juvenile in residential care.

### **Juvenile justice day programs.**

Sec. 722. (1) The goal of juvenile justice day programs shall be the effective treatment and rehabilitation of juvenile offenders in appropriate community settings.

(2) The department shall allocate money to public and private providers of juvenile justice day programs based on their ability to demonstrate results in all of the following:

- (a) Reduced rates of recidivism.
- (b) Higher rates of high school or GED completion.
- (c) Availability of appropriate services to offenders.

### **Services of different security levels.**

Sec. 723. A provider of juvenile services may receive funding for services of different security levels if the provider has appropriate services for each security level and adequate measures to separate residents of each security level.

## **LOCAL OFFICE SERVICES**

### **Out-stationed eligibility specialists; locations.**

Sec. 750. The department shall maintain out-stationed eligibility specialists in community-based organizations and hospitals in the same locations as in fiscal year 2003-2004.

### **Family resource centers.**

Sec. 751. (1) From the funds appropriated in part 1, the department shall implement school-based family resource centers based on the following guidelines:

- (a) The center is supported by the local school district.
- (b) The programs and information provided at the center do not conflict with sections 1169, 1507, and 1507b of the revised school code, 1976 PA 451, MCL 380.1169, 380.1507, and 380.1507b.
- (c) Notwithstanding subdivision (b), the center shall provide information regarding crisis pregnancy centers or adoption service providers in the area.

(2) The department shall notify the senate and house subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office of family resource center expansion efforts and shall provide all of the following at the beginning of the selection process or no later than 5 days after eligible schools receive opportunity notification:

- (a) A list of eligible schools.
- (b) The selection criteria to be used.

- (c) The projected number to be opened.
- (d) The financial implications for expansion, including funding sources.

### **Train-the-trainer program.**

Sec. 753. The department shall implement the recommendations of the 2004 public private partnership initiative's training committee to define, design, and implement a train-the-trainer program to certify private agency staff to deliver child welfare staff training, explore the use of e-learning technologies, and include consumers in the design and implementation of training. The intent of the legislature is to reduce training and travel costs for both the department and the private agencies. The department shall report no later than December 1, 2005 on each specific policy change made to implement enacted legislation and the plans to implement the recommendations, including time lines, to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services matters, the senate and house fiscal agencies and policy offices, and the state budget director.

## **DISABILITY DETERMINATION SERVICES**

### **Medical disability retirement.**

Sec. 801. The department disability determination services in agreement with the department of management and budget office of retirement systems will develop the medical information and make recommendations for medical disability retirement for state employees, state police, judges, and school teachers.

## **CHILD SUPPORT ENFORCEMENT**

### **Child support incentive payments.**

Sec. 901. (1) From the federal money received for child support incentive payments, up to \$15,397,400.00 shall be retained by the state and expended for legal support contracts and child support program expenses.

(2) If the child support incentive payment to the state from the federal government is less than was paid in fiscal year 2000-2001, the payment to counties shall be prorated in a like percentage amount reflecting reduced revenue.

(3) If the child support incentive payment to the state from the federal government is greater than that amount retained by the state in subsection (1), the funds above the amount retained in subsection (1) shall be paid to the counties in a proportionate distribution similar to the local match supplement paid in fiscal year 2003-2004.

(4) If the child support payment to the state from the federal government is greater than the amount retained by the state in subsection (1) plus the amount necessary to pay counties a local match supplement equal to that paid in fiscal year 2003-2004, the additional funds shall be subject to appropriation by the legislature.

(5) The department may, if cost beneficial to the state and counties, withhold from submitting to the federal office of child support administrative expenses eligible for federal financial participation. The department may recoup earned, but unclaimed, federal funds from the resulting increased federal child support incentive. The recoupment by the department shall be made prior to distribution of the increased incentive to the counties.



Any incentive funds retained by the state under this section shall be separate and apart from incentive funds retained in any other section of this act.

**Child support computer system.**

Sec. 902. (1) Of the funds appropriated in part 1 for the child support computer system (MiCSES), \$17,800,000.00 shall be used to fix and improve the system. This shall be in addition to funds appropriated for the maintenance and operation of the system. This appropriation assumes the collection of \$6,100,000.00 in new restricted funds from the child support arrearage settlement program, and federal matching funds of \$11,700,000.00.

(2) The department shall consult with the department of treasury and any outside consultant with collections expertise under contract with the department of treasury to develop a plan to maximize the collection of child support and child support arrearage settlement for the purposes of this section.

(3) If collections from the revenue sources identified to fix and improve the system fall short of the money appropriated in subsection (1), the department shall reduce expenditures to match those collections.

(4) If collections from the state restricted revenue sources identified to fix and improve the system exceed the amount appropriated in subsection (1) and paid to the federal government, by a sum greater than \$610,000.00, the revenue above \$6,710,000.00 shall be allocated to counties to restore funding for legal support contracts. If collections from the restricted revenue sources and payments to the federal government exceed \$7,140,767.00, the department and representatives from counties and the friends of court shall meet and agree upon recommendations for use of the additional revenue. The additional revenue shall be subject to appropriation by the legislature.

(5) The department, through the child support leadership group, shall provide quarterly reports to the legislature concerning money expended and improvements made as a result of this section.

(6) Unexpended funds for child support automation improvements at the end of the fiscal year are intended to be carried forward for continued work on improvements. These funds are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

**Updating and maintaining child support statewide database with health insurance information.**

Sec. 903. The department may facilitate with the department of community health a program under which the departments independently or jointly contract with local friend of the court offices to update and maintain the child support statewide database with health insurance information in cases in which the court has ordered a party to the case to maintain health insurance coverage for the minor child or children involved in the case and to assist in the recovery of money paid by the state for health care costs that are otherwise recoverable from a party to the case. The program shall be in addition to a program or programs under existing contract between either or both of the departments with a private entity on September 1, 2005. The program shall be entirely funded with state and federal funds from money first recovered or through costs that are avoided by charging the insurance coverage for minor children from state programs to private insurance.

**Tax intercept and offset programs; payment of state share of fees.**

Sec. 904. The department is prohibited from charging back to the counties any of the fees paid that are charged by the internal revenue service or the department of treasury related to the tax intercept and offset programs. The state share of those fees shall be paid from money otherwise provided for office of child support programs.

**Legal services; allocations to counties.**

Sec. 905. Of the funds appropriated in part 1 for child support collections, \$1,000,000.00 shall be allocated to counties for the local match for friend of the court services legal support contracts and to payments to county prosecutors for related legal services.

**OFFICE OF CHILDREN AND ADULT LICENSING****Assessment and use of fees.**

Sec. 1001. The department shall assess fees in the licensing and regulation of child care organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by the department shall be used exclusively for the purpose of licensing and regulating child care organizations and adult foster care facilities.

**Juvenile residential facilities; evaluations.**

Sec. 1002. The department shall furnish the clerk of the house, the secretary of the senate, the senate and house fiscal agencies and policy offices, the state budget office, and all members of the house and senate appropriations committees with a summary of any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the department, as required by section 6 of 1973 PA 116, MCL 722.116. If no evaluations are conducted during the fiscal year, the department shall notify the fiscal agencies and all members of the appropriate subcommittees of the house and senate appropriations committees.

**Lead hazards; documentation of inspection.**

Sec. 1003. If federal funds become available to support a lead testing program, the department shall, before issuing a license for a day care facility and as part of licensing review and facility inspection, require documentation verifying that the facility has been inspected for lead hazards and that any lead hazards identified have been remediated.

**Performance-based licensing program.**

Sec. 1005. The department shall develop a plan for a performance-based licensing system. The plan shall include an approach that emphasizes site visits for new licensees and licensees with violations or filed complaints and random, but not required, site visits for licensees who have been in business for 5 years or more with no violations or filed complaints. The plan shall direct the licensing staff and field consultants to prioritize resources and site reviews on new licensees and those with documented complaints. The plan shall include an implementation date for fiscal year 2005-2006 and be submitted, by January 31, 2006, to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director.

This act is ordered to take immediate effect.

Approved September 28, 2005.

Filed with Secretary of State September 29, 2005.

**[No. 148]**

**(SB 264)**

AN ACT to make appropriations for the department of agriculture for the fiscal year ending September 30, 2006; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

*The People of the State of Michigan enact:*

PART 1

LINE-ITEM APPROPRIATIONS

**Appropriations; department of agriculture.**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of agriculture for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF AGRICULTURE**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	691.0	
GROSS APPROPRIATION .....		\$ 119,198,400
Interdepartmental grant revenues:		
IDG from MDCH, local public health operations .....		8,878,700
IDG from MDEQ, aquifer protection and dispute resolution.....		50,000
IDG from MDEQ, biosolids.....		87,300
IDG from MDEQ, MAEAP .....		150,000
IDG from MDEQ, type II well survey .....		16,300
IDG from MDLEG (LCC), liquor quality testing fees .....		185,900
IDG from MDNR, district forestry and wildlife program .....		1,000,000
Total interdepartmental grants and intradepartmental transfers ....		10,368,200
ADJUSTED GROSS APPROPRIATION.....		\$ 108,830,200
Federal revenues:		
DAG, multiple grants.....		29,795,800
EPA, multiple grants.....		2,436,300
HHS-FDA .....		349,600
Total federal revenues.....		32,581,700
Special revenue funds:		
Total local revenues .....		0
Private - slow-the-spread foundation.....		138,700
Total private revenues.....		138,700
Agricultural preservation fund .....		900,000
Agriculture equine industry development fund.....		16,473,700
Agriculture pollution prevention fund .....		100
Civil penalties.....		45,700
Commodity inspection fees .....		888,300
Gasoline inspection and testing fund .....		2,468,700

	For Fiscal Year Ending Sept. 30, 2006
Groundwater and freshwater protection fund.....	\$ 4,936,800
Horticulture fund.....	74,700
Industry support funds.....	534,500
Licensing and inspection fees.....	6,689,400
Nonretail liquor fees.....	625,200
Pseudorabies and swine brucellosis fund.....	15,600
Refined petroleum fund.....	3,191,100
State services fee fund.....	8,535,600
Testing fees.....	405,000
Upper Peninsula state fair revenue.....	1,338,400
Weights and measures regulation fees.....	624,300
Total other state restricted revenues.....	47,747,100
State general fund/general purpose.....	\$ 28,362,700

**Executive.****Sec. 102. EXECUTIVE**

Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	52.0
Commission and boards.....	\$ 47,300
Unclassified positions—6.0 FTE positions.....	354,000
Executive direction—10.0 FTE positions.....	1,040,600
Management services—35.5 FTE positions.....	2,718,100
Statistical reporting service—4.0 FTE positions.....	345,600
Emergency management—2.5 FTE positions.....	226,200
Human resource optimization user charges.....	29,500
GROSS APPROPRIATION.....	\$ 4,761,300
Appropriated from:	
Special revenue funds:	
Gasoline inspection and testing fund.....	55,000
Industry support funds.....	30,000
Nonretail liquor fees.....	8,800
Refined petroleum fund.....	221,500
State services fee fund.....	561,300
Upper Peninsula state fair revenue.....	9,000
State general fund/general purpose.....	\$ 3,875,700

**Departmentwide.****Sec. 103. DEPARTMENTWIDE**

Rent and building occupancy charges.....	\$ 1,388,400
GROSS APPROPRIATION.....	\$ 1,388,400
Appropriated from:	
Federal revenues:	
DAG, multiple grants.....	100,500
EPA, multiple grants.....	61,200
HHS-FDA.....	13,100
Special revenue funds:	
Agricultural preservation fund.....	23,900
Groundwater and freshwater protection fund.....	9,500

	For Fiscal Year Ending Sept. 30, 2006
Licensing and inspection fees .....	\$ 59,700
Nonretail liquor fees .....	7,900
Refined petroleum fund.....	114,000
State services fee fund .....	304,600
State general fund/general purpose .....	\$ 694,000

**Food and dairy.**

**Sec. 104. FOOD AND DAIRY**

Full-time equated classified positions .....	107.0
Food safety and quality assurance—107.0 FTE positions .....	\$ 10,830,300
Local public health operations.....	8,878,700
<b>GROSS APPROPRIATION.....</b>	<b>\$ 19,709,000</b>

Appropriated from:

Interdepartmental grant revenues:

IDG from MDCH, local public health operations .....	8,878,700
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Federal revenues:

DAG, multiple grants.....	24,800
HHS-FDA .....	203,700

Special revenue funds:

Civil penalties .....	45,700
Licensing and inspection fees .....	3,187,900
State general fund/general purpose .....	\$ 7,368,200

**Animal husbandry.**

**Sec. 105. ANIMAL INDUSTRY**

Full-time equated classified positions .....	49.0
Animal health and welfare—22.5 FTE positions .....	\$ 2,316,100
Bovine tuberculosis program—26.5 FTE positions.....	5,707,800
<b>GROSS APPROPRIATION.....</b>	<b>\$ 8,023,900</b>

Appropriated from:

Federal revenues:

DAG, multiple grants.....	1,251,000
HHS-FDA .....	68,800

Special revenue funds:

Agriculture equine industry development fund.....	2,354,000
Licensing and inspection fees .....	102,000
Pseudorabies and swine brucellosis fund .....	15,600
State general fund/general purpose .....	\$ 4,232,500

**Pesticide and plant pest management.**

**Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT**

Full-time equated classified positions .....	231.8
Pesticide and plant pest management—119.8 FTE positions .....	\$ 12,665,300
Emerald ash borer control program—112.0 FTE positions .....	23,660,600
Michigan State University .....	210,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 36,535,900</b>

Appropriated from:

Federal revenues:

DAG, multiple grants.....	25,809,100
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	For Fiscal Year Ending Sept. 30, 2006
EPA, multiple grants.....	\$ 1,610,600
HHS-FDA.....	64,000
Special revenue funds:	
Private - slow-the-spread foundation.....	138,700
Commodity inspection fees.....	888,300
Horticulture fund.....	74,700
Industry support funds.....	319,900
Licensing and inspection fees.....	3,220,500
State general fund/general purpose.....	\$ 4,410,100

### **Environmental stewardship.**

#### **Sec. 107. ENVIRONMENTAL STEWARDSHIP**

Full-time equated classified positions.....	47.0
Environmental stewardship—32.7 FTE positions.....	\$ 2,702,100
Groundwater and freshwater protection program— 8.3 FTE positions.....	5,026,600
Farmland and open space preservation—6.0 FTE positions.....	902,500
Cooperative resources management initiative program.....	1,000,000
Agriculture pollution prevention program.....	400,100
Local conservation districts.....	1,516,800
Migrant labor housing.....	100
Aquifer protection program.....	50,000
GROSS APPROPRIATION.....	\$ 11,598,200

#### Appropriated from:

Interdepartmental grant revenues:	
IDG from MDEQ, aquifer protection and dispute resolution.....	50,000
IDG from MDEQ, biosolids.....	87,300
IDG from MDEQ, MAEAP.....	150,000
IDG from MDEQ, type II well survey.....	16,300
IDG from MDNR, district forestry and wildlife program.....	1,000,000
Federal revenues:	
DAG, multiple grants.....	400,000
EPA, multiple grants.....	424,500
Special revenue funds:	
Agricultural preservation fund.....	875,900
Agriculture pollution prevention fund.....	100
Groundwater and freshwater protection fund.....	4,927,200
State general fund/general purpose.....	\$ 3,666,900

### **Laboratory program.**

#### **Sec. 108. LABORATORY PROGRAM**

Full-time equated classified positions.....	148.0
Laboratory services—60.5 FTE positions.....	\$ 5,365,300
USDA monitoring—18.0 FTE positions.....	1,990,000
Consumer protection program—69.5 FTE positions.....	4,883,800
GROSS APPROPRIATION.....	\$ 12,239,100

#### Appropriated from:

Interdepartmental grant revenues:	
IDG from MDLEG (LCC), liquor quality testing fees.....	183,100

For Fiscal Year  
Ending Sept. 30,  
2006

Federal revenues:	
DAG, multiple grants.....	\$ 2,011,400
EPA, multiple grants.....	340,000
Special revenue funds:	
Gasoline inspection and testing fund .....	2,386,700
Refined petroleum fund.....	2,855,600
State services fee fund .....	503,200
Testing fees.....	405,000
Weights and measures regulation fees.....	624,300
State general fund/general purpose .....	\$ 2,929,800

**Agriculture development.**

**Sec. 109. AGRICULTURE DEVELOPMENT**

Full-time equated classified positions .....	8.0	
Agriculture development—5.0 FTE positions.....		\$ 868,800
Grape and wine program—3.0 FTE positions.....		662,600
Export market development program.....		50,000
Michigan agricultural surplus system.....		630,500
Michigan FFA association.....		80,000
Michigan 4-H foundation .....		20,000
GROSS APPROPRIATION.....		\$ 2,311,900
Appropriated from:		
Federal revenues:		
DAG, multiple grants.....		199,000
Special revenue funds:		
Agriculture equine industry development fund.....	\$	100,000
Industry support funds.....		154,600
Nonretail liquor fees .....		608,000
State services fee fund .....		350,700
State general fund/general purpose .....	\$	899,600

**Fairs and expositions.**

**Sec. 110. FAIRS AND EXPOSITIONS**

Full-time equated classified positions.....	16.5	
Upper Peninsula state fair—7.0 FTE positions.....		\$ 1,328,500
Fairs, racing and producer security—9.5 FTE positions .....		1,077,400
Building and track improvement - county and state fairs .....		963,200
Premiums - county and state fairs .....		1,614,000
Purses and supplements - fairs/licensed tracks .....		3,031,700
Quarterhorse programs .....		40,900
Licensed tracks - light horse racing.....		130,000
Standardbred breeders' awards.....		1,273,000
Standardbred purses and supplements - licensed tracks .....		2,305,700
Standardbred sire stakes .....		1,040,000
Thoroughbred sire stakes .....		1,063,100
Standardbred training and stabling .....		44,900
Thoroughbred program .....		3,092,400
Thoroughbred owners' awards.....		159,900
Distribution of outstanding winning tickets .....		700,000
GROSS APPROPRIATION.....		\$ 17,864,700



For Fiscal Year  
Ending Sept. 30,  
2006

Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund.....	\$ 13,864,800
Industry support funds.....	30,000
Licensing and inspection fees.....	119,300
State services fee fund.....	2,522,100
Upper Peninsula state fair revenue.....	1,328,500
State general fund/general purpose.....	\$ 0

### **Office of racing commissioner.**

#### **Sec. 111. OFFICE OF RACING COMMISSIONER**

Full-time equated classified positions.....	31.7
Office of racing commissioner—31.7 FTE positions.....	\$ 3,296,400
GROSS APPROPRIATION.....	\$ 3,296,400

Appropriated from:	
Special revenue funds:	
State services fee fund.....	3,296,400
State general fund/general purpose.....	\$ 0

### **Information technology.**

#### **Sec. 112. INFORMATION TECHNOLOGY**

Information technology services and projects.....	\$ 1,469,600
GROSS APPROPRIATION.....	\$ 1,469,600

Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDLEG (LCC), liquor quality testing fees.....	2,800
Special revenue funds:	
Agricultural preservation fund.....	200
Agriculture equine industry development fund.....	154,900
Gasoline inspection and testing fund.....	27,000
Groundwater and freshwater protection fund.....	100
Nonretail liquor fees.....	500
State services fee fund.....	997,300
Upper Peninsula state fair revenue.....	900
State general fund/general purpose.....	\$ 285,900

## PART 2

### PROVISIONS CONCERNING APPROPRIATIONS

#### **GENERAL SECTIONS**

#### **Total state spending; payments to local units of government.**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$76,109,800.00 and state spending from state resources to be paid to local units of government for fiscal

year 2005-2006 is \$3,316,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE

Groundwater and freshwater protection program .....	\$	1,800,000
Local conservation districts .....		1,516,800
TOTAL .....	\$	<u>3,316,800</u>

**Appropriations subject to MCL 18.1101 to 18.1594.**

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.

**Definitions.**

Sec. 203. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "Department" means the department of agriculture.
- (c) "Director" means the director of the department.
- (d) "EPA" means the United States environmental protection agency.
- (e) "FFA" means future farmers of America.
- (f) "FTE" means full-time equated.
- (g) "HHS-FDA" means the United States department of health and human services - food and drug administration.
- (h) "IDG" means interdepartmental grant.
- (i) "MAEAP" means the Michigan agriculture environmental assurance program.
- (j) "MDCH" means the Michigan department of community health.
- (k) "MDLEG (LCC)" means the Michigan department of labor and economic growth - liquor control commission.
- (l) "MDEQ" means the Michigan department of environmental quality.
- (m) "MDNR" means the Michigan department of natural resources.

**Billing by department of civil service.**

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

**Hiring freeze; exceptions.**

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the thirtieth of each month to the chairpersons of the senate and house of

representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

### **Use of Internet; reports.**

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement and shall include placement of reports on an Internet or Intranet site.

### **Purchase of foreign goods or services.**

Sec. 209. (1) Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(2) In addition to the requirements in subsection (1), the purchase of goods or services, or both, if competitively priced and of comparable quality shall be Michigan goods or services, or both, if available. The department shall also encourage the use of Michigan produced agricultural products by all state agencies and departments if competitively priced and of comparable quality and if available.

### **Businesses in deprived and depressed communities; contracts to provide services or supplies.**

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

### **Indemnification.**

Sec. 212. (1) Of the funds appropriated in part 1, the department may provide for indemnity as provided for pursuant to the animal industry act of 1987, 1988 PA 466, MCL 287.701 to 287.745, not to exceed \$100,000.00 per order from any line item for the fiscal year ending September 30, 2006. Before the department provides for an indemnification under this section, the department shall report the reason for the indemnification, the amount of the indemnification, and to whom the indemnification is to be paid. The report shall be given to each member of the house and senate appropriations subcommittees on agriculture and to the senate and house fiscal agencies and the state budget director.

(2) The department of agriculture shall make an indemnification payment for the fair market value of livestock killed by a wolf or coyote, if the kill is verified by the department of natural resources. The fair market value of the livestock shall be determined pursuant to the indemnification procedures prescribed in the animal industry act, 1988 PA 466, MCL 287.701 to 287.745. In addition to the funds appropriated in part 1, the department of agriculture is authorized to expend the funds received from the department of natural resources to reimburse the department of agriculture for all indemnification payments made pursuant to this subsection.

### **Notice of grants.**

Sec. 214. Of the funds appropriated in part 1 that are other than line-item grants, the department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the house and senate appropriations subcommittees on agriculture at least 10 days

before the grant is issued. The grants shall be used to support research or other related activities for the purpose of enhancing the agricultural industries in this state.

**Information technology; user fees.**

Sec. 219. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

**Information technology; amounts designated as work projects and carried forward.**

Sec. 220. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

**Out-of-state travel.**

Sec. 223. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing 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 chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.

(e) 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.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

### **Communication between employee and legislator or staff.**

Sec. 224. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

## **EXECUTIVE**

### **Per diem rates for commodity committees.**

Sec. 301. Per diem rates for commodity committees established in the agriculture commodities marketing act, 1965 PA 232, MCL 290.651 to 290.674, 1970 PA 29, MCL 290.421 to 290.430, 1965 PA 114, MCL 290.551 to 290.568, and the beef industry commission act, 1972 PA 291, MCL 287.601 to 287.610, will be set based upon levels established in section 301 of 2002 PA 516.

### **Receipt and expenditure of revenue; use; notice of proposed changes to fees; report.**

Sec. 302. (1) The department may receive and expend revenue and use that revenue to cover necessary expenses related to publications, audit and licensing functions, livestock sales, certification of nursery stock, bean inspection services, and laboratory analyses as specified in the following:

- (a) Management services publications.
- (b) Management services audit and licensing functions.
- (c) Pesticide and plant pest management propagation and certification of virus free foundation stock.
- (d) Pesticide and plant pest management bean inspection and grading services.
- (e) Laboratory support testing for testing horses in draft horse pulling contests at county fairs when local jurisdictions request state assistance.
- (f) Laboratory support analyses to determine foreign substances in horses engaged in racing or pulling contests at tracks.
- (g) Laboratory support analysis of food, livestock, and agricultural products for disease, foreign products for disease, toxic materials, foreign substances, and quality standards.
- (h) Laboratory support test samples for other agencies and organizations.
- (i) Fruit and vegetable inspection at shipping and termination points and processing plants.

(2) The department shall notify the senate and house of representatives appropriations subcommittees on agriculture and the senate and house fiscal agencies 60 days prior to the effective date of any proposed changes to the fees authorized under this section.

(3) Annually, before February 1, the department shall provide a report to the senate and house of representatives appropriations subcommittees on agriculture and the senate and house fiscal agencies 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.

**Motor fuel and quality program.**

Sec. 304. From the funds appropriated in section 108, not less than \$3,800,000.00 shall be used for the motor fuel quality program to ensure motor fuel quality and quantity. Notwithstanding the provisions of section 205, the department shall hire additional field and laboratory staff for the motor fuel quality program.

**FOOD AND DAIRY**

**Local restaurant inspection and licensing; monitoring.**

Sec. 401. (1) The department shall monitor restaurant inspection and licensing functions carried out by local health departments to ensure uniform application and enforcement of minimum program requirements. On or before April 1, 2006, the department shall report to the senate and house appropriations subcommittees on agriculture, the senate and house fiscal agencies, and the state budget director on local health department conformance with minimum program requirements.

(2) If a local unit of government incurs additional costs resulting from its efforts to control a significant food-borne outbreak, the director shall seek additional resources to reimburse the local unit of government for these additional costs. The director shall involve the local health officer of the jurisdiction affected in all aspects of the control of any food-borne outbreak.

**Food-borne outbreaks and emergencies; report.**

Sec. 402. Not later than April 1, 2006, the department shall provide a report to the house and senate appropriations subcommittees on agriculture and the house and senate fiscal agencies describing significant food-borne outbreaks and emergencies including any enforcement actions taken related to food safety during the 2004-2005 fiscal year.

**Reallocation or redistribution of program funds by local government; prior approval required.**

Sec. 403. The department, in conjunction with the department of community health, shall assure that a process is in place that requires a local unit of government to obtain prior approval from the department before any reallocation or redistribution of program funds appropriated in section 104.

**ANIMAL INDUSTRY**

**Bovine tuberculosis; monitoring and testing wildlife.**

Sec. 450. From the funds appropriated in section 105 for the bovine tuberculosis program, the department shall reimburse the department of natural resources for those costs associated with monitoring and testing wildlife for bovine tuberculosis that are necessary to support the department goals and are jointly agreed to by the department

and the department of natural resources to be in excess of efforts necessary to effectively plan and execute the eradication of bovine tuberculosis from Michigan's wild free-ranging deer herd.

**Whole herd and individual animal testing costs; payment.**

Sec. 451. From the funds appropriated in section 105 for bovine tuberculosis, the department shall pay for all whole herd testing costs and individual animal testing costs in the modified accredited zone to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

**ENVIRONMENTAL STEWARDSHIP**

**Migrant labor housing program.**

Sec. 603. The department shall apply for all federal funds for which it is eligible that can be used to support the migrant labor housing program.

**Local conservation districts; allocations.**

Sec. 604. The appropriation in section 107 for local conservation districts shall be allocated in the following manner:

(a) Of the total appropriation, each local conservation district meeting the minimum grant requirements shall receive a grant of \$19,200.00 to support basic operations, unless the district resides in a county consisting of multiple districts, in which case a \$19,200.00 grant shall be divided equally among the districts in that county. The amount of money allocated under this subdivision shall not be used by local conservation districts to replace any money received from local sources.

(b) Any amount remaining from the appropriation after distributions under subdivision (a) shall be allocated for local conservation district training.

**AGRICULTURE DEVELOPMENT**

**Direct purchase of foods from Michigan growers, manufacturers, or wholesalers by food bank council.**

Sec. 702. In any given year when insufficient amounts of Michigan surplus products are offered to the food bank council and accepted for distribution, unused funds may be applied by the food bank council for the direct purchase of foods from Michigan growers, manufacturers, or wholesalers.

**Northwest Michigan horticultural research station.**

Sec. 703. From the appropriation in part 1 for agriculture development, \$30,000.00 shall be provided to the northwest Michigan horticultural research station.

**FFA grant; use.**

Sec. 704. Indirect costs may not be charged against the FFA grant in section 109 by any administering agency. The grant shall not be used by the administering agency to supplant existing resources dedicated to the FFA organization. The grant only shall be



used, awarded, or expended for additional leadership activities, awards, or training programs that encourage agriculture as a career.

**Export market development program.**

Sec. 705. The appropriation in section 109 for the export market development program shall be used to coordinate state participation in the federal market access program and to leverage federal funds for the purpose of developing new and enhancing existing export markets for Michigan agricultural products.

**FAIRS AND EXPOSITIONS**

**Simulcasting revenues; report.**

Sec. 801. The department shall submit a report each month to the state budget director, the senate and house appropriations subcommittees on agriculture, and the senate and house fiscal agencies that states the simulcasting revenues generated in the preceding month by each licensed track and the amount received from license fees.

**Purses and supplements - fairs/licensed tracks; licensed tracks - light horse racing.**

Sec. 802. (1) From the amount appropriated in section 110 for purses and supplements – fairs/licensed tracks, \$280,000.00 is to be used for state purse supplements at state licensed pari-mutuel tracks for races comprised only of Michigan-bred horses segregated into a 4-year-old colt trot division, a 4-year-old filly trot division, a 4-year-old colt pace division, and a 4-year-old filly pace division.

(2) From the amount appropriated in section 110 for purses and supplements – fairs/licensed tracks, \$172,000.00 is to be divided equally and used for state purse supplements at the Fedele Fauri futurity race and the Michigan futurity race.

(3) The appropriation in section 110 for licensed tracks - light horse racing shall be allocated as follows:

Arabian and Appaloosa horse racing .....	\$	32,500
Quarter horse racing .....		97,500

**Thoroughbred yearling show.**

Sec. 803. Included in the appropriation made in section 110 for the thoroughbred program is \$30,500.00 for the Michigan united thoroughbred breeders and owners association to conduct a thoroughbred yearling show. The Michigan united thoroughbred breeders and owners association shall submit to the department an itemized list of expenses showing that the expenses of the yearling show were paid.

**Thoroughbred owners’ awards.**

Sec. 804. From the funds appropriated in section 110 for thoroughbred owners’ awards, awards shall be distributed pursuant to section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

**Reductions in appropriations, allocations, or expenditures from agriculture equine industry development fund; notice.**

Sec. 805. The department shall notify the senate and house appropriations subcommittees and the fiscal agencies of any planned reductions in appropriations, allocations, or expenditures from the agriculture equine industry development fund no less than 10 days before such reductions are implemented.

**Prizes, awards, and deadlines; publication of rules; grievance; filing complaint; investigation.**

Sec. 806. A county fair, district fair, 4-H fair, or state fair receiving funds in section 110 to be used for prizes or awards, in whole or in part, as a condition precedent to the receiving of the funds for those purposes, shall publish the rules relative to the prizes, awards, and deadlines for entries eligible for the funds in their official premium books or lists relative to the prizes or awards. An aggrieved exhibitor may make a written complaint to the fair within 10 days after the fair ends. If the fair has not satisfactorily settled the grievance within 45 days after it is submitted to the fair, the aggrieved person may file the complaint with the department and the department shall investigate the complaint and make a finding of fact regarding the complaint and take appropriate action regarding the complaint.

**Overnight purse supplements.**

Sec. 807. Of the amount appropriated in section 110 for purses and supplements - fairs/licensed tracks, a sufficient amount is appropriated to provide for overnight purse supplements pursuant to the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

**Livestock and equine exhibitions.**

Sec. 808. Of the amount appropriated in section 110 for premiums - county and state fairs, \$91,400.00 shall be expended to reimburse up to 75% premiums paid to large livestock and equine exhibitors in shows or exhibitions held by statewide associations as defined by the department. Livestock expositions shall be limited to participation in this program and prohibited from participation in any state funded premium programs. The Michigan horse show association fall youth show shall be included.

**Youth involvement and adult exhibitions.**

Sec. 809. From the appropriations for premiums - county and state fairs in section 110, \$40,000.00 shall be awarded through a competitive grant program to local, regional, or state fairs or youth education programs to promote youth involvement and adult exhibitions in the animal agriculture industry.

**Distribution of outstanding winning tickets; availability.**

Sec. 811. The funds appropriated in section 110 for distribution of outstanding winning tickets are not available for expenditure until they are deposited in the Michigan agriculture equine industry development fund pursuant to section 2 of 1951 PA 90, MCL 431.252. These funds shall be expended in accordance with section 2 of 1951 PA 90, MCL 431.252. The department shall provide notice to the house and senate appropriations subcommittees on agriculture at least 10 days before the funds are expended. This notice shall include the amount that each program receives from the outstanding winning ticket revenue deposited in the Michigan agriculture equine industry development fund.

Sec. 816. From the appropriation in section 110 for fairs, racing and producer security, \$20,000.00 shall be granted to the communications alliance to network thoroughbred ex-racehorses (CANTER) to support racehorse rehabilitation programs.

**Building and track improvement - licensed tracks; lapse of unexpended funds.**

Sec. 817. The unexpended and unencumbered balance of the appropriation for building and track improvement - licensed tracks, contained in section 110 of 2004 PA 353 shall

lapse to the Michigan agriculture equine industry development fund and shall be available for appropriation in the fiscal year ending September 30, 2006.

**OFFICE OF RACING COMMISSIONER**

**Crime involving race horsing industry; rewards.**

Sec. 901. The racing commissioner may pay rewards of not more than \$5,800.00 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 office of racing commissioner line item.

This act is ordered to take immediate effect.  
Approved September 28, 2005.  
Filed with Secretary of State September 29, 2005.

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**[No. 149]**  
**(SB 275)**

AN ACT to make appropriations for the judicial branch for the fiscal year ending September 30, 2006; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

*The People of the State of Michigan enact:*

PART 1

LINE-ITEM APPROPRIATIONS

**Appropriations; judiciary.**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2006, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**JUDICIARY**

APPROPRIATION SUMMARY:

Full-time equated exempted positions.....	509.0		
GROSS APPROPRIATION.....		\$	255,381,900
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers ....			2,563,500
ADJUSTED GROSS APPROPRIATION.....		\$	252,818,400
Federal revenues:			
Total federal revenues.....			3,926,400
Special revenue funds:			
Total local revenues .....			3,419,100
Total private revenues.....			842,500

	For Fiscal Year Ending Sept. 30, 2006
Total other state restricted revenues .....	\$ 87,015,900
State general fund/general purpose .....	\$ 157,614,500

### Supreme court.

#### Sec. 102. SUPREME COURT

Full-time equated exempted positions.....	235.0
Supreme court administration—97.0 FTE positions .....	\$ 11,065,700
Judicial institute—16.0 FTE positions .....	2,719,300
State court administrative office—62.0 FTE positions .....	10,393,200
Judicial information systems—18.0 FTE positions .....	2,543,400
Direct trial court automation support—26.0 FTE positions.....	3,419,100
Foster care review board—12.0 FTE positions .....	1,248,600
Community dispute resolution—4.0 FTE positions .....	2,264,700
Other federal grants.....	275,000
Drug treatment courts.....	4,735,000
GROSS APPROPRIATION .....	\$ <u>38,664,000</u>

#### Appropriated from:

##### Interdepartmental grant revenues:

IDG from department of community health.....	1,800,000
IDG from department of career development.....	40,000
IDG from state police - Michigan justice training fund.....	300,000

##### Federal revenues:

DOJ, victims assistance programs.....	50,000
DOJ, drug court training and evaluation .....	300,000
DOT, national highway traffic safety administration .....	100,000
HHS, access and visitation grant .....	387,000
HHS, children's justice grant .....	206,300
HHS, court improvement project.....	1,160,000
HHS, title IV-D child support program.....	907,700
HHS, title IV-E foster care program .....	540,400
Other federal grant revenues .....	275,000

##### Special revenue funds:

Local - user fees.....	3,419,100
Private .....	169,000
Private - interest on lawyers trust accounts.....	232,700
Private - state justice institute .....	370,800
Community dispute resolution fund .....	2,264,700
Law exam fees .....	482,100
Drug court fund .....	1,920,500
Miscellaneous revenue .....	227,900
Justice system fund.....	700,000
State court fund .....	339,000
State general fund/general purpose .....	\$ 22,471,800

### Court of appeals.

#### Sec. 103. COURT OF APPEALS

Full-time equated exempted positions.....	212.0
Court of appeals operations—212.0 FTE positions .....	\$ 18,653,000
GROSS APPROPRIATION .....	\$ <u>18,653,000</u>

For Fiscal Year  
Ending Sept. 30,  
2006

Appropriated from:  
Special revenue funds:

Court filing/motion fees .....	\$	1,808,500
Miscellaneous revenue .....		77,800
State general fund/general purpose .....	\$	16,766,700

**Branchwide appropriations.**

**Sec. 104. BRANCHWIDE APPROPRIATIONS**

Full-time equated exempted positions.....	4.0	
Branchwide appropriations—4.0 FTE positions .....	\$	8,042,300
GROSS APPROPRIATION .....	\$	8,042,300

Appropriated from:

State general fund/general purpose .....	\$	8,042,300
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**Justices' and judges' compensation.**

**Sec. 105. JUSTICES' AND JUDGES' COMPENSATION**

Full-time judges positions.....	613.0	
Supreme court justices' salaries—7.0 justices.....	\$	1,152,300
Court of appeals judges' salaries—28.0 judges .....		4,240,300
District court judges' state base salaries—258.0 judges .....		23,877,200
District court judicial salary standardization .....		11,796,800
Probate court judges' state base salaries—103.0 judges.....		9,108,600
Probate court judicial salary standardization.....		4,389,800
Circuit court judges' state base salaries—217.0 judges .....		20,440,400
Circuit court judicial salary standardization .....		9,922,100
Judges' retirement system defined contributions .....		2,919,200
OASI, social security.....		4,733,900
GROSS APPROPRIATION .....	\$	92,580,600

Appropriated from:  
Special revenue funds:

Court fee fund .....		7,090,200
State general fund/general purpose .....	\$	85,490,400

**Judicial agencies.**

**Sec. 106. JUDICIAL AGENCIES**

Full-time equated exempted positions .....	8.0	
Judicial tenure commission—8.0 FTE positions .....	\$	1,049,500
GROSS APPROPRIATION .....	\$	1,049,500

Appropriated from:

State general fund/general purpose .....	\$	1,049,500
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**Indigent defense - criminal.**

**Sec. 107. INDIGENT DEFENSE - CRIMINAL**

Full-time equated exempted positions.....	50.0	
Appellate public defender program—42.0 FTE positions.....	\$	4,764,500
Appellate assigned counsel administration—8.0 FTE positions .....		869,900
GROSS APPROPRIATION .....	\$	5,634,400

Appropriated from:  
Interdepartmental grant revenues:

IDG from state police - Michigan justice training fund.....		423,500
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Special revenue funds:

Private - interest on lawyers trust accounts .....		70,000
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	For Fiscal Year Ending Sept. 30, 2006
Miscellaneous revenue .....	\$ 113,100
State general fund/general purpose .....	\$ 5,027,800

**Indigent civil legal assistance.**

**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

**Trial court operations.**

**Sec. 109. TRIAL COURT OPERATIONS**

Court equity fund reimbursements.....	\$ 69,206,000
Judicial technology improvement fund .....	4,465,000
GROSS APPROPRIATION.....	\$ 73,671,000
Appropriated from:	
Special revenue funds:	
Court equity fund .....	50,440,000
Judicial technology improvement fund .....	4,465,000
State general fund/general purpose .....	\$ 18,766,000

**Grants and reimbursements to local government.**

**Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT**

Drug case-flow program.....	\$ 250,000
Drunk driving case-flow program.....	2,300,000
Juror compensation reimbursement.....	6,600,000
Transcript fee reimbursement .....	100
GROSS APPROPRIATION.....	\$ 9,150,100
Appropriated from:	
Special revenue funds:	
Drug fund .....	\$ 250,000
Drunk driving fund.....	2,300,000
Juror compensation fund .....	6,600,000
Transcript fee fund.....	100
State general fund/general purpose .....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

**Total state spending; payments to local units of government.**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$244,630,400.00 and

state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is estimated at \$123,762,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office .....	\$	511,900
Drug treatment courts.....		4,435,000

TRIAL COURT OPERATIONS

Court equity fund reimbursements.....	\$	69,206,000
Judicial technology improvement fund .....		4,465,000

JUSTICES' AND JUDGES' COMPENSATION

District court judicial salary standardization .....	\$	11,796,800
Probate court judges' state base salaries.....		9,108,600
Probate court judicial salary standardization.....		4,389,800
Circuit court judicial salary standardization .....		9,922,100
Grant to OASI contribution fund, employers share, social security....		777,200

GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

Drunk driving case-flow program.....	\$	2,300,000
Drug case-flow program.....		250,000
Juror compensation reimbursement.....		6,600,000
Transcript fee fund.....		100
TOTAL .....	\$	<u>123,762,500</u>

**Appropriations subject to MCL 18.1101 to 18.1594.**

Sec. 202. (1) The appropriations authorized under this act 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 shall 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.

**Definitions.**

Sec. 203. As used in this act:

- (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.

**Employee communicating with legislator or staff.**

Sec. 204. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.



**Use of Internet; reports.**

Sec. 208. The reporting requirements of this act shall be completed with the approval of, and at the direction of, the supreme court. Unless otherwise specified, the judicial branch shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

**Purchase of foreign goods or services.**

Sec. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

**Out-of-state travel.**

Sec. 215. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2006 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the chief justice or his or her designee may grant an exception to allow the travel. Any exceptions granted by the chief justice or his or her designee shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, the state court administrative office shall prepare a travel report listing 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 shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) 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.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

## **JUDICIAL BRANCH**

### **Direct trial court automation support program.**

Sec. 301. (1) The direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service. A report of amounts collected in excess of funds identified as user service charges in part 1 shall be submitted to the state budget director and to the house and senate appropriations subcommittees on judiciary 30 days before expenditure by the direct trial court automation support program.

(2) From funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall provide to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

### **Expenditure of funds; approval of supreme court.**

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

### **Circuit court and court of claims reimbursement.**

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$325,000.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and \$186,900.00 is allocated for court of claims reimbursement under section 6413 of the revised judicature act of 1961, 1961 PA 236, MCL 600.6413.

### **Collection of judgments by local trial courts.**

Sec. 306. The supreme court and the state court administrative office shall continue to maintain, as a priority, the assisting of local trial courts in improving the collection of judgments.

### **Delay reduction.**

Sec. 307. It is the intent of the legislature that from the funds appropriated in part 1 for court of appeals operations, the judiciary shall use the following revenue amounts for the purpose of delay reduction:

(a) \$225,000.00 of additional filing fee revenue raised from the increase from \$250.00 to \$375.00 in court of appeals filing fees under section 321(1)(a) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

(b) \$87,500.00 of additional fee revenue raised from the increase in court of appeals motion fees from \$75.00 to \$100.00 and from the increase from \$150.00 to \$200.00 in fees for motions for immediate consideration or expedited appeal, under section 321(1)(b) and

(c) of the revised judicature act of 1961, 1961 PA 236, MCL 600.321.

### **Judges' compensation.**

Sec. 308. 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 shall be appropriated from the state general fund for judges' compensation.

### **Drug court programs; evaluation and monitoring.**

Sec. 310. From the funds appropriated in part 1 for drug treatment court programs, under the direction of the supreme court, the state court administrative office shall contract with 1 or more independent third parties for evaluation and monitoring of drug court programs funded by the judiciary. The evaluation shall include measures of the

impact of drug court programs in changing offender criminal involvement (recidivism) and substance abuse and in reducing prison admissions. The evaluation of a program funded with federal Byrne funds shall be consistent with any requirements contained in the federal Byrne grant for that program. Evaluations required by this section shall to the extent feasible compare offenders treated under the programs with other offenders of similar characteristics. Not later than April 1, 2006, the state court administrative office shall provide a progress report regarding the status and findings of the evaluation to the senate and house appropriations subcommittees on the judiciary, the senate and house fiscal agencies, and the state budget director.

### **Drug treatment court programs.**

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court program shall not receive funds for more than 5 years. 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) Local units of government are encouraged to refer to federal drug treatment court guidelines to prepare proposals. However, federal agency approvals are not required for funding under this section.

(3) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(4) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(5) The judiciary shall receive \$1,800,000.00 in Byrne formula grant funding as an inter-departmental grant from the department of community health 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.

### **Minors seeking court-issued waiver of parental consent; statistical report.**

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking a court-issued waiver of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted in accordance with section 208.

### **Transcript fees.**

Sec. 317. From the funds appropriated in part 1 for transcript fee reimbursement, the judiciary shall reimburse counties for additional costs incurred in the event of a statutory increase in transcript fees under section 2543 of the revised judicature act of 1961, 1961 PA 236, MCL 600.2543.

This act is ordered to take immediate effect.

Approved September 28, 2005.

Filed with Secretary of State September 29, 2005.

**[No. 150]****(HB 4306)**

AN ACT to amend 1979 PA 94, entitled “An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; 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 6 and 17b (MCL 388.1606 and 388.1617b), section 6 as amended by 2004 PA 351 and section 17b as amended by 2000 PA 297.

*The People of the State of Michigan enact:*

**388.1606 Additional definitions.**

Sec. 6. (1) “Center program” means a program operated by a district or intermediate district for special education pupils from several districts in programs for the autistically impaired, trainable mentally impaired, severely mentally impaired, severely multiply impaired, hearing impaired, physically and otherwise health impaired, and visually impaired. Programs for emotionally impaired pupils housed in buildings that do not serve regular education pupils also qualify. Unless otherwise approved by the department, a center program either shall serve all constituent districts within an intermediate district or shall serve 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 612 of part B 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 migrant and adult, in the district for the immediately preceding school year, adjusted for those pupils who have transferred into or out of the district or transferred to alternative programs, who leave high school with a diploma or other credential of equal status.

(4) “Membership”, except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .75 times the 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, plus the product of .25 times the final audited count from the supplemental count day for the immediately preceding school year. 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, public school academy, university school, or intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil shall be counted in membership in the pupil's educating district or districts. An individual pupil shall 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 shall not be counted in membership in any district.

(c) A special education pupil educated by the intermediate district shall be 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, shall be 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 shall be counted in membership in the pupil's intermediate district of residence.

(f) A pupil enrolled in a vocational education program supported by a millage levied over an area larger than a single district or in an area vocational-technical education program established pursuant to section 690 of the revised school code, MCL 380.690, shall be counted only in the pupil's district of residence.

(g) A pupil enrolled in a university school shall be counted in membership in the university school.

(h) A pupil enrolled in a public school academy shall be counted in membership in the public school academy.

(i) For a new district, university school, or public school academy beginning its operation after December 31, 1994, membership for the first 2 full or partial fiscal years of operation shall be 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 shall exclude

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) In a district, public school academy, university school, or intermediate district operating 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, shall be counted.

(l) Pupils to be counted in membership shall be not less than 5 years of age on December 1 and less than 20 years of age on September 1 of the school year except a special education pupil who is enrolled and receiving instruction in a special education program or service approved by the department and not having a high school diploma who is less than 26 years of age as of September 1 of the current school year shall be counted in membership.

(m) An individual who has obtained a high school diploma shall not be counted in membership. An individual who has obtained a general educational development (G.E.D.) certificate shall not be counted in membership. 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 Michigan strategic fund or the department of labor and economic growth, or participating in any successor of either of those 2 programs, shall not be 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 shall be 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 shall be counted in membership, and the instructional time scheduled for the pupil in the district or intermediate district shall be included in the full-time equated membership determination under subdivision (q). 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 specified in subdivision (q), the public school academy shall receive 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 specified in subdivision (q) for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be 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 specified in subdivision (q), the district or intermediate district providing the remainder of the hours of instruction shall receive 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 specified in subdivision (q) for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be 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 shall not be 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 shall be consistent with section 101(3). In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution, a pupil shall not be considered to be less than a full-time equated pupil solely because of the effect of his or her postsecondary enrollment, 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 shall be determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to  $\frac{1}{2}$  the number used for determining full-time equated memberships for pupils in grades 1 to 12.

(s) For a district, university school, or public school academy that has pupils enrolled in a grade level that was not offered by the district, university school, 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, as determined by the department. Membership shall be 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, 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, 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 specified in subdivision (q) for full-time equivalency. For the purposes of this subdivision, a district shall be 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 under the supervision of a certificated teacher.

(ii) The district provides instructional materials, resources, and supplies, except computers, 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) A pupil enrolled in an alternative or disciplinary education program described in section 25 shall be counted in membership in the district or public school academy that expelled the pupil.

(w) 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.

(x) 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 .75 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 .25 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.

(y) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils and the district has 4.5 or fewer pupils per square mile, as determined by the department, and if the district does not receive funding under section 22d, the district's membership shall be 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. 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.

(z) 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 in which a former pupil of the public school academy enrolls and is in regular daily attendance for the next school year to ensure that the district receives the same amount of membership aid for the pupil as if the pupil were counted in the district on the supplemental count day of the preceding school year.

(aa) For 2005-2006 only, if a pupil who has been evacuated from another state and has relocated in this state due to a natural disaster enrolls in a district within 60 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.

(5) "Public school academy" means a public school academy, urban high school academy, or strict discipline academy operating under the revised school code.

(6) "Pupil" means a person 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 1 to 12 in accordance with section 166b.

(b) A pupil receiving 1/2 or less of his or her instruction in a district other than the pupil's district of residence.

(c) A pupil enrolled in a public school academy or university school.



(d) A pupil enrolled in a district other than the pupil's district of residence under an intermediate district schools of choice pilot program as described in section 91a or former section 91 if the intermediate district and its constituent districts have been exempted from section 105.

(e) 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.

(f) 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 750.90g, 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.

(g) 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 was enrolled as a resident on the pupil membership count day of the same school year.

(h) A pupil enrolled in an alternative education program operated by a district other than his or her district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from his or her 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.

(i) A pupil enrolled in the Michigan virtual high school, for the pupil's enrollment in the Michigan virtual high school.

(j) A pupil who is the child of a person who is employed by the district. As used in this subdivision, "child" includes an adopted child or legal ward.

However, if a district that is not a first class district educates pupils who reside in a first class district and if the primary instructional site for those pupils is located within the boundaries of the first class district, the educating district must have the approval of the first class district to count those pupils in membership. As used in this subsection, "first class district" means a district organized as a school district of the first class under the revised school code.

(7) "Pupil membership count day" of a district or intermediate district means:

(a) Except as provided in subdivision (b), the fourth Wednesday in September each school year.

(b) For a district or intermediate district maintaining school during the entire school year, the following days:

- (i) Fourth Wednesday in July.
- (ii) Fourth Wednesday in September.
- (iii) Second Wednesday in February.
- (iv) Fourth Wednesday in April.

(8) “Pupils in grades K to 12 actually enrolled and in regular daily attendance” means 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. 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, shall not be counted as 1.0 full-time equated membership. In addition, 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 shall not be counted as 1.0 full-time equated membership. Pupils not counted as 1.0 full-time equated membership due to an absence from a class shall be counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, “class” means a period of time in 1 day when pupils and a certificated teacher or legally qualified substitute teacher 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 1976 PA 451, MCL 380.1 to 380.1852.

(11) “School fiscal year” means a fiscal year that commences July 1 and continues through June 30.

(12) “State board” means the state board of education.

(13) “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.

(14) “Supplemental count day” means the day on which the supplemental pupil count is conducted under section 6a.

(15) “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. Tuition pupil does not include a pupil who is a special education pupil or a pupil described in subsection (6)(d) to (j). 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.

(16) “State school aid fund” means the state school aid fund established in section 11 of article IX of the state constitution of 1963.

(17) “Taxable value” means the taxable value of property as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(18) “Textbook” means a book 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.

(19) “Total state aid” or “total state school aid” means the total combined amount of all funds due to a district, intermediate district, or other entity under all of the provisions of this act.

(20) “University school” means an instructional program operated by a public university under section 23 that meets the requirements of section 23.

**388.1617b Amounts to be distributed in installments to districts; statement; payments; warrant; adjustments; grant payments; advance release of funds.**

Sec. 17b. (1) Not later than October 20, November 20, December 20, January 20, February 20, March 20, April 20, May 20, June 20, July 20, and August 20, the department shall prepare a statement of the amount to be distributed under this act in the installment to the districts and intermediate districts and deliver the statement to the state treasurer, and the state treasurer shall pay the installments on each of those dates or, if the date is not a business day, on the immediately preceding business day before that date. Except as otherwise provided in this act, the portion of the district’s or intermediate district’s state fiscal year entitlement to be included in each installment shall be 1/11. A district or intermediate district shall accrue the payments received in July and August to the school fiscal year ending the immediately preceding June 30.

(2) The state treasurer shall make payment under this section by drawing a warrant in favor of the treasurer of each district or intermediate district for the amount payable to the district or intermediate district according to the statement and delivering the warrant to the treasurer of each district or intermediate district, or if the state treasurer receives a written request by the treasurer of the district or intermediate district specifying an account, by electronic funds transfer to that account of the amount payable to the district or intermediate district according to the statement. The department may make adjustments in payments made under this section through additional payments when changes in law or errors in computation cause the regularly scheduled payment to be less than the amount to which the district or intermediate district is entitled pursuant to this act.

(3) Except as otherwise provided in this act, grant payments under this act shall be paid according to subsection (1).

(4) Upon the written request of a district or intermediate district and the submission of proof satisfactory to the department of a need of a temporary and nonrecurring nature, the superintendent, with the written concurrence of the state treasurer and the state budget director, may authorize an advance release of funds due a district or intermediate district under this act. An advance authorized under this subsection shall not cause funds to be paid to a district or intermediate district more than 30 days earlier than the established payment date for those funds.

This act is ordered to take immediate effect.

Approved September 30, 2005.

Filed with Secretary of State September 30, 2005.

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**[No. 151]**

**(SB 470)**

AN ACT to amend 1961 PA 236, entitled “An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and

duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts," by amending sections 321, 5756, 8371, and 8420 (MCL 600.321, 600.5756, 600.8371, and 600.8420), sections 321 and 8420 as amended by 2003 PA 138 and sections 5756 and 8371 as amended by 2003 PA 178.

*The People of the State of Michigan enact:*

**600.321 Fees to court of appeals; payment; waiver; deposit; costs.**

Sec. 321. (1) The following fees shall be paid to the clerk of the court of appeals and may be taxed as costs where costs are allowed by order of the court:

(a) The sum of \$375.00 for an appeal as of right, for an application for leave to appeal, or for an original proceeding. This fee shall be paid only once for appeals that are taken by multiple parties from the same lower court order or judgment and can be consolidated.

(b) Upon the entry of any motion except a motion described in subdivision (c) upon the motion docket, the sum of \$100.00. Beginning October 1, 2007, the fee required under this subdivision is \$75.00.

(c) Upon the entry of a motion for immediate consideration or a motion to expedite appeal upon the motion docket, the sum of \$200.00. This fee shall be paid only once regardless of the number of lower court files involved in the appeal. A prosecuting attorney is exempt from paying a fee under this subdivision when filing a motion for immediate consideration or a motion to expedite appeal with regard to an appeal arising out of a criminal proceeding. Beginning October 1, 2007, the fee required under this subdivision is \$150.00.

(2) The clerk of the court of appeals shall be allowed the sum of 50 cents per page for certified copies of entries or papers in any action or proceedings when required for any other purpose than one connected with the progress or disposition of the action or proceeding.

(3) The clerk shall charge the sum of 50 cents per page for all uncertified copies of opinions, except those sent to 1 counsel representing each party in the case, for which no charge shall be made.

(4) If a person is unable to pay the fees required by this section, the person, by motion, accompanied by the person's affidavit stating facts showing that inability, may ask the court to waive the fees and the court or a judge of the court may waive payment of the fees.

(5) Each month the clerk of the court of appeals shall deposit with the state treasurer all fees collected, securing and filing a receipt for the fees deposited.

(6) Costs shall be awarded in the discretion of the court.

(7) Upon appeal to the court of appeals, there shall be paid to the clerk of the trial court the sum of \$10.00 as an appeal fee.

**600.5756 Filing fees; disposition.**

Sec. 5756. (1) If the complaint is for the recovery of possession of premises only, the fee for filing a proceeding under this chapter is \$45.00.

(2) If a claim for a money judgment is joined with a claim for the recovery of possession of premises, the plaintiff shall pay a supplemental filing fee in the same amount as established by law for the filing of a claim for a money judgment in the same court.

(3) Of each filing fee collected under this section, at the end of each month, the clerk of the district court shall transmit \$17.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$17.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created by section 171.

(4) At the end of each month, the clerk of the district court shall transmit each supplemental filing fee collected under this section in the same manner as a fee under section 8371 for the filing of a claim for money judgment for the same amount is transmitted.

**600.8371 Filing fees paid to clerk of district court; disposition; waiver or suspension; exception; filing fee for civil action; fee in trial by jury; motion filing fees.**

Sec. 8371. (1) In the district court, the fees prescribed in this section shall be paid to the clerk of the court.

(2) Before a civil action is commenced in the district court, the party commencing the action shall pay to the clerk the sum of \$150.00 if the amount in controversy exceeds \$10,000.00. For each fee collected under this subsection, the clerk shall transmit \$31.00 to the treasurer of the district funding unit in which the action was commenced, and shall transmit the balance to the state treasurer for deposit in the civil filing fee fund created by section 171.

(3) Before a civil action is commenced in the district court, the party commencing the action shall pay to the clerk the sum of \$65.00 if the amount in controversy exceeds \$1,750.00 but does not exceed \$10,000.00. For each fee collected under this subsection, the clerk shall transmit \$23.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$23.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created by section 171.

(4) Before a civil action is commenced in the district court, the party commencing the action shall pay to the clerk the sum of \$45.00 if the amount in controversy exceeds \$600.00 but does not exceed \$1,750.00. For each fee collected under this subsection, the clerk shall transmit \$17.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the

operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$17.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created by section 171.

(5) Before a civil action is commenced in the district court, the party commencing the action shall pay to the clerk the sum of \$25.00 if the amount in controversy does not exceed \$600.00. For each fee collected under this subsection, the clerk shall transmit \$11.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$11.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created by section 171.

(6) The judge shall order payment of any statutory fees waived or suspended if the person subject to the fee is receiving public assistance or is determined by the court to be indigent.

(7) Neither this state nor a political subdivision of this state shall be required to pay a filing fee in a civil infraction action.

(8) Except for civil actions filed for relief under chapter 43, 57, or 84, if a civil action is filed for relief other than money damages, the filing fee shall be equal to the filing fee in actions for money damages in excess of \$1,750.00 but not in excess of \$10,000.00 as provided in subsection (3) and shall be transmitted in the same manner as a fee under subsection (3) is transmitted. If a claim for money damages is joined with a claim for relief other than money damages, the plaintiff shall pay a supplemental filing fee in the same amount as required under subsections (2) to (5).

(9) If a trial by jury is demanded, the party making the demand at the time shall pay the sum of \$50.00. Failure to pay the fee at the time the demand is made constitutes a waiver of the right to a jury trial. The sum shall be taxed in favor of the party paying the fee, in case the party recovers a judgment for costs. For each fee collected under this subsection, the clerk shall transmit \$10.00 to the state treasurer for deposit in the juror compensation reimbursement fund created in section 151d.

(10) A sum of \$20.00 shall be assessed for all motions filed in a civil action. A motion fee shall not be assessed in a civil infraction action. For each fee collected under this subsection, the clerk shall transmit \$10.00 to the state treasurer for deposit in the state court fund created in section 151a and the balance shall be transmitted to the treasurer of the district funding unit for the district court in the district in which the action was commenced.

### **600.8420 Fees; disposition.**

Sec. 8420. (1) A fee of the following amount, as applicable, shall be charged and collected for the filing of the affidavit for the commencement of any action:

- (a) \$25.00, if the amount in controversy does not exceed \$600.00.
- (b) \$45.00, if the amount in controversy exceeds \$600.00 but does not exceed \$1,750.00.
- (c) \$65.00, if the amount in controversy exceeds \$1,750.00.

(2) A fee in an amount equal to the prevailing postal rate for the service provided shall be charged and collected for each defendant to whom a copy of the affidavit is mailed by