

**No. 45**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**96th Legislature**  
**REGULAR SESSION OF 2011**

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Senate Chamber, Lansing, Tuesday, May 24, 2011.

10:00 a.m.

The Senate was called to order by the President, Lieutenant Governor Brian N. Calley.

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

Anderson—present  
Bieda—present  
Booher—present  
Brandenburg—present  
Casperson—present  
Caswell—present  
Colbeck—present  
Emmons—present  
Gleason—present  
Green—present  
Gregory—present  
Hansen—present  
Hildenbrand—present

Hood—present  
Hopgood—present  
Hune—present  
Hunter—present  
Jansen—present  
Johnson—excused  
Jones—present  
Kahn—present  
Kowall—present  
Marleau—present  
Meekhof—present  
Moolenaar—present  
Nofs—present

Pappageorge—present  
Pavlov—present  
Proos—present  
Richardville—present  
Robertson—present  
Rocca—present  
Schuitmaker—present  
Smith—present  
Walker—present  
Warren—present  
Whitmer—present  
Young—present

Reverend David Hansen of Immanuel Baptist Church of Roscommon offered the following invocation:

Our gracious Heavenly Father, we come to this room today to do the business of the people. We thank You for the greatness of America, with 235 years of God's blessing and God's goodness on this land. Some people even think that when God created the world, He held Michigan by its hand and then placed it there so we have such a unique peninsula.

Lord, thank You for the great resources that this state offers. Thank You for the privilege it is to be a Michigander. Thank You for these men and women who have given of their time and their talent and, for many of them, their treasures as well to be in this place and to serve us.

May we all keep recognition of the fact that we serve You. I pray that You would help them today to have wisdom in judgment and keenness in their understanding. I pray that You would help them to never forsake the Holy Scriptures that tell us blessed is the nation whose God is the Lord.

Thank you for the inheritance we have been given in the great state of Michigan. We pray that You would bless her citizens, and I pray that You would bless these servants. I pray that You would help them as they do this great work. I ask this in Christ's name. Amen.

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

### Motions and Communications

Senator Warren entered the Senate Chamber.

Senator Meekhof moved that Senator Schuitmaker be temporarily excused from today's session.  
The motion prevailed.

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

Senator Hopgood moved that Senators Hood, Hunter and Smith be temporarily excused from today's session.  
The motion prevailed.

Senator Hopgood moved that Senator Johnson be excused from today's session.  
The motion prevailed.

Senator Hood entered the Senate Chamber.

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, May 19:  
**House Bill Nos. 4359 4577 4579**

The Secretary announced the enrollment printing and presentation to the Governor on Friday, May 20, for his approval the following bill:

**Enrolled Senate Bill No. 220 at 2:40 p.m.**

The Secretary announced the enrollment printing and presentation to the Governor on Monday, May 23, for his approval the following bills:

**Enrolled Senate Bill No. 139 at 2:38 p.m.**

**Enrolled Senate Bill No. 245 at 2:40 p.m.**

**Enrolled Senate Bill No. 318 at 2:42 p.m.**

The Secretary announced that the following official bills were printed on Thursday, May 19, and are available at the legislative website:

**Senate Bill Nos. 384 385 386 387 388 389 390**

**House Bill Nos. 4653 4654 4655 4656 4657 4658 4659 4660 4661 4662 4663 4664 4665 4666 4667**

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

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

The motion prevailed, and the President, Lieutenant Governor Calley, designated Senator Anderson as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Calley, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

**House Bill No. 4111, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 503 (MCL 324.503), as amended by 2004 PA 587.

Substitute (S-1).

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

By unanimous consent the Senate proceeded to the order of  
**Introduction and Referral of Bills**

Senators Hunter, Smith and Schuitmaker entered the Senate Chamber.

Senators Green, Kahn, Casperson and Marleau introduced

**Senate Bill No. 391, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 2 and 8 (MCL 211.2 and 211.8), section 2 as amended by 2002 PA 620 and section 8 as amended by 2006 PA 633.

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

Senators Kowall and Casperson introduced

**Senate Bill No. 392, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 11715 (MCL 324.11715), as amended by 2004 PA 381.

The bill was read a first and second time by title and referred to the Committee on Natural Resources, Environment and Great Lakes.

Senators Jones, Nofs, Rocca, Green, Marleau, Brandenburg, Kowall, Whitmer and Hansen introduced

**Senate Bill No. 393, entitled**

A bill to amend 2006 PA 88, entitled "Inmate reimbursement to municipalities act," by amending section 2 (MCL 801.312).

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

Senators Warren, Johnson, Gregory, Hood, Hopgood, Young and Anderson introduced

**Senate Bill No. 394, entitled**

A bill to require employers to provide employees with information concerning eligibility for the federal earned income tax credit.

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

Senators Robertson, Proos, Brandenburg, Green and Rocca introduced

**Senate Bill No. 395, entitled**

A bill to repeal 1913 PA 88, entitled "An act empowering the board of supervisors of any of the several counties of the state of Michigan to levy a special tax, or by appropriating from the general fund for the purpose of advertising the agricultural advantages of the state or for displaying the products and industries of any county in the state at domestic or foreign expositions, for the purpose of encouraging immigration and increasing trade in the products of the state, and advertising the state and any portion thereof for tourists and resorters, and to permit the boards of supervisors out of any

sum so raised, or out of the general fund, to contribute all or any portion of the same to any development board or bureau to be by said board or bureau expended for the purposes herein named," (MCL 46.161).

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

Senators Richardville and Nofs introduced

**Senate Bill No. 396, entitled**

A bill to amend 1857 PA 72, entitled "An act amendatory to the several acts in relation to the Wesleyan Seminary at Albion, and the Albion Female Collegiate Institute," by amending section 2 (MCL 390.702) and by adding sections 1a, 7, 7a, 7b, and 7c; and to repeal acts and parts of acts.

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

Senators Jones, Nofs and Richardville introduced

**Senate Bill No. 397, entitled**

A bill to amend 1969 PA 312, entitled "An act to provide for compulsory arbitration of labor disputes in municipal police and fire departments; to define such public departments; to provide for the selection of members of arbitration panels; to prescribe the procedures and authority thereof; and to provide for the enforcement and review of awards thereof," by amending sections 2, 3, 5, 6, 8, 9, and 10 (MCL 423.232, 423.233, 423.235, 423.236, 423.238, 423.239, and 423.240).

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

Senators Green, Marleau and Richardville introduced

**Senate Bill No. 398, entitled**

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 3204 and 3205e (MCL 600.3204 and 600.3205e), section 3204 as amended by 2009 PA 29 and section 3205e as added by 2009 PA 31.

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

**House Bill No. 4359, entitled**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 803i (MCL 257.803i), as amended by 1998 PA 68.

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

The bill was read a first and second time by title and referred to the Committee on Veterans, Military Affairs and Homeland Security.

**House Bill No. 4577, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 1903 (MCL 324.1903), as amended by 2002 PA 52.

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

The bill was read a first and second time by title and referred to the Committee on Natural Resources, Environment and Great Lakes.

**House Bill No. 4579, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 2154 (MCL 324.2154), as amended by 2010 PA 31.

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

The bill was read a first and second time by title and referred to the Committee on Natural Resources, Environment and Great Lakes.

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

Senator Meekhof moved that the following bill be placed at the head of the Third Reading of Bills calendar:

**Senate Bill No. 24**

The motion prevailed.

The following bill was read a third time:

**Senate Bill No. 24, entitled**

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 1505 (MCL 500.1505).

The question being on the passage of the bill,

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

**Roll Call No. 224**

**Yeas—37**

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Jones	Proos	Young
Green			

**Nays—0**

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**House Bill No. 4389, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 16185 (MCL 333.16185), as added by 2006 PA 25.

The question being on the passage of the bill,

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

**Roll Call No. 225**

**Yeas—37**

Anderson	Gregory	Kahn	Richardville
Bieda	Hansen	Kowall	Robertson
Booher	Hildenbrand	Marleau	Rocca
Brandenburg	Hood	Meekhof	Schuitmaker
Casperson	Hopgood	Moolenaar	Smith
Caswell	Hune	Nofs	Walker
Colbeck	Hunter	Pappageorge	Warren
Emmons	Jansen	Pavlov	Whitmer
Gleason	Jones	Proos	Young
Green			

**Nays—0**

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

“An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates.”.

The Senate agreed to the full title.

### **Recess**

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

The motion prevailed, the time being 10:20 a.m.

10:56 a.m.

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

By unanimous consent the Senate returned to the order of

### **Conference Reports**

Senator Green submitted the following:

#### **FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning

#### **Senate Bill No. 169, entitled**

A bill to make appropriations for the department of agriculture and rural development for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; 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.

Recommends:

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

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

A bill to make appropriations for the department of agriculture and rural development for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; 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**

**FOR FISCAL YEAR 2011-2012**

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2012, 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.....	2.0	
Full-time equated classified positions .....	441.0	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 72,219,300</b>
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees.....		197,600
IDG from MDNRE, biosolids .....		100,000
Total interdepartmental grants and intradepartmental transfers .....		297,600
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 71,921,700</b>
Federal revenues:		
USDA, multiple grants .....		10,873,300
EPA, multiple grants.....		1,635,700
HHS-FDA .....		1,203,900
United States department of labor.....		471,800
Total federal revenues.....		14,184,700
Special revenue funds:		
Total local revenues .....		0
Private - slow-the-spread foundation.....		83,300
Private - commodity group revenue .....		88,000
Total private revenues.....		171,300
Agricultural preservation fund.....		2,031,100
Agriculture equine industry development fund .....		3,773,300
Agriculture pollution prevention fund.....		100
Animal welfare fund.....		144,500
Commodity inspection fees .....		832,400
Consumer and industry food safety education fund.....		290,200
Dairy and food safety fund .....		3,006,600
Freshwater protection fund.....		5,094,100
Gasoline inspection and testing fund .....		2,747,800
Grain dealer fee fund.....		222,500
Horticulture fund .....		72,800
Industry support funds.....		535,300
Licensing and inspection fees .....		4,188,800
Migrant housing inspection fees.....		114,200
Migratory labor housing fund.....		29,000
Nonretail liquor fees.....		716,800
Refined petroleum fund.....		3,870,900
Testing fees.....		447,500
Weights and measures regulation fees.....		745,100
Total other state restricted revenues .....		28,863,000
State general fund/general purpose .....		<b>\$ 28,702,700</b>

**Sec. 102. EXECUTIVE**

Full-time equated unclassified positions.....	2.0	
Full-time equated classified positions .....	26.0	
<b>Commissions and boards .....</b>		<b>\$ 23,800</b>
Unclassified positions—2.0 FTE positions .....		213,300
Executive direction—8.0 FTE positions.....		1,050,600

	For Fiscal Year Ending Sept. 30, 2012
Management services—15.0 FTE positions .....	\$ 981,100
Statistical reporting service—1.0 FTE positions .....	158,300
Emergency management—2.0 FTE positions.....	243,600
Accounting service center .....	878,300
GROSS APPROPRIATION .....	\$ 3,549,000
Appropriated from:	
Special revenue funds:	
Private - commodity group revenue .....	88,000
Industry support funds.....	40,500
Nonretail liquor fees.....	8,800
Refined petroleum fund.....	57,800
State general fund/general purpose .....	\$ 3,353,900
<b>Sec. 103. DEPARTMENTWIDE</b>	
Rent and building occupancy charges .....	\$ 991,900
GROSS APPROPRIATION .....	\$ 991,900
Appropriated from:	
Federal revenues:	
USDA, multiple grants .....	224,600
EPA, multiple grants.....	174,100
HHS-FDA .....	43,300
Special revenue funds:	
Agricultural preservation fund.....	22,700
Freshwater protection fund.....	33,500
Licensing and inspection fees .....	156,800
Nonretail liquor fees.....	28,800
Refined petroleum fund.....	257,200
State general fund/general purpose .....	\$ 50,900
<b>Sec. 104. INFORMATION AND TECHNOLOGY</b>	
Information technology services and projects .....	\$ 1,303,400
GROSS APPROPRIATION .....	\$ 1,303,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LARA (LCC), liquor quality testing fees.....	2,800
Special revenue funds:	
Agricultural preservation fund.....	200
Agriculture equine industry development fund .....	93,600
Freshwater protection fund.....	100
Gasoline inspection testing fund .....	27,400
Licensing and inspection fees .....	28,300
Nonretail liquor fees.....	500
State general fund/general purpose .....	\$ 1,150,500
<b>Sec. 105. FOOD AND DAIRY</b>	
Full-time equated classified positions .....	104.0
Food safety and quality assurance—81.0 FTE positions .....	\$ 9,931,600
Milk safety and quality assurance—23.0 FTE positions.....	3,037,900
GROSS APPROPRIATION .....	\$ 12,969,500
Appropriated from:	
Federal revenues:	
USDA, multiple grants .....	234,900
HHS-FDA .....	451,600
Special revenue funds:	
Consumer and industry food safety education fund.....	290,200
Dairy and food safety fund .....	3,006,600
State general fund/general purpose .....	\$ 8,986,200
<b>Sec. 106. ANIMAL INDUSTRY</b>	
Full-time equated classified positions .....	64.0

	For Fiscal Year Ending Sept. 30, 2012
Animal disease prevention and response—64.0 FTE positions .....	\$ 8,889,400
<b>GROSS APPROPRIATION</b> .....	<b>\$ 8,889,400</b>
Appropriated from:	
Federal revenues:	
USDA, multiple grants .....	1,233,500
HHS-FDA .....	40,600
Special revenue funds:	
Animal welfare fund.....	144,500
Licensing and inspection fees .....	113,100
State general fund/general purpose .....	\$ 7,357,700
<b>Sec. 107. PESTICIDE AND PLANT PEST MANAGEMENT</b>	
Full-time equated classified positions .....	99.0
Pesticide and plant pest management—88.0 FTE positions.....	\$ 10,612,700
Emerald ash borer control program—7.0 FTE positions .....	1,822,600
Producer security/grain dealers—4.0 FTE positions .....	543,400
<b>GROSS APPROPRIATION</b> .....	<b>\$ 12,978,700</b>
Appropriated from:	
Federal revenues:	
USDA, multiple grants .....	2,942,100
EPA, multiple grants.....	738,800
HHS-FDA .....	109,200
Special revenue funds:	
Private - slow-the-spread foundation.....	83,300
Commodity inspection fees .....	832,400
Grain dealers fee fund.....	222,500
Horticulture fund.....	72,800
Industry support funds.....	336,300
Licensing and inspection fees .....	3,808,700
State general fund/general purpose .....	\$ 3,832,600
<b>Sec. 108. ENVIRONMENTAL STEWARDSHIP</b>	
Full-time equated classified positions .....	43.0
Environmental stewardship—18.0 FTE positions .....	\$ 6,133,800
Michigan agriculture environmental assurance program—3.0 FTE positions .....	552,600
Farmland and open space preservation—9.0 FTE positions .....	958,200
Local conservation districts.....	100
Migrant labor housing—6.0 FTE positions.....	1,162,300
Right-to-farm—3.0 FTE positions.....	519,000
Intercounty drain—4.0 FTE positions .....	425,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 9,751,000</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDNRE, biosolids .....	100,000
Federal revenues:	
USDA, multiple grants .....	1,000,000
EPA, multiple grants.....	361,200
United States department of labor.....	471,800
Special revenue funds:	
Agricultural preservation fund.....	958,200
Agriculture pollution prevention fund.....	100
Freshwater protection fund.....	5,060,500
Migrant housing inspection fees.....	114,200
Migratory labor housing fund.....	29,000
State general fund/general purpose .....	\$ 1,656,000
<b>Sec. 109. LABORATORY PROGRAM</b>	
Full-time equated classified positions .....	94.0
Laboratory services—42.0 FTE positions .....	\$ 5,564,600
USDA monitoring—13.0 FTE positions .....	2,452,000

	For Fiscal Year Ending Sept. 30, 2012
Consumer protection program—39.0 FTE positions.....	\$ 5,571,300
<b>GROSS APPROPRIATION</b> .....	<b>\$ 13,587,900</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LARA (LCC), liquor quality testing fees.....	194,800
Federal revenues:	
USDA, multiple grants.....	2,474,700
EPA, multiple grants.....	361,600
HHS-FDA.....	559,200
Special revenue funds:	
Agriculture equine industry development fund.....	557,800
Gasoline inspection and testing fund.....	2,720,400
Licensing and inspection fees.....	81,900
Refined petroleum fund.....	3,555,900
Testing fees.....	447,500
Weights and measures regulation fees.....	745,100
State general fund/general purpose.....	\$ 1,889,000
<b>Sec. 110. AGRICULTURE DEVELOPMENT</b>	
Full-time equated classified positions.....	8.0
Agriculture development—5.0 FTE positions.....	\$ 2,040,300
Grape and wine program—3.0 FTE positions.....	736,300
<b>GROSS APPROPRIATION</b> .....	<b>\$ 2,776,600</b>
Appropriated from:	
Federal revenues:	
USDA, multiple grants.....	1,513,500
Special revenue funds:	
Industry support funds.....	158,500
Nonretail liquor fees.....	678,700
State general fund/general purpose.....	\$ 425,900
<b>Sec. 111. FAIRS AND EXPOSITIONS</b>	
Full-time equated classified positions.....	3.0
Fairs and racing—3.0 FTE positions.....	\$ 331,300
Purses and supplements - fairs/licensed tracks.....	611,400
Licensed tracks - light horse racing.....	34,100
Standardbred breeders' awards.....	250,000
Standardbred purses and supplements - licensed tracks.....	461,600
Standardbred sire stakes.....	209,000
Standardbred training and stabling.....	9,300
Thoroughbred owners' awards.....	31,900
Thoroughbred supplements - licensed tracks.....	309,600
Thoroughbred breeder's awards.....	309,600
Thoroughbred sire stakes.....	214,100
Distribution of outstanding winning tickets.....	350,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 3,121,900</b>
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund.....	3,121,900
State general fund/general purpose.....	\$ 0
<b>Sec. 112. CAPITAL OUTLAY</b>	
Farmland and open space development acquisition.....	\$ 2,300,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 2,300,000</b>
Appropriated from:	
Federal revenues:	
USDA, multiple grants.....	1,250,000
Special revenue funds:	
Agriculture preservation fund.....	1,050,000
State general fund/general purpose.....	\$ 0

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$57,565,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$1,500,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental protection .....	\$	1,500,000
TOTAL.....	\$	1,500,000

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.

Sec. 203. As used in this act:

- (a) "Department" means the department of agriculture and rural development.
- (b) "Director" means the director of the department.
- (c) "EPA" means the United States environmental protection agency.
- (d) "FTE" means full-time equated.
- (e) "HHS-FDA" means the United States department of health and human services - food and drug administration.
- (f) "IDG" means interdepartmental grant.
- (g) "LARA" means the Michigan department of licensing and regulatory affairs.
- (h) "MDEQ" means the Michigan department of environmental quality.
- (i) "USDA" means the United States department of agriculture.

Sec. 204. The civil service commission shall bill departments and agencies at the end of the first fiscal quarter for the charges 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.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 207. (1) The department shall maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.
- (2) The department may develop and operate its own website to provide this information or may reference the state's central transparency website as the source for this information.

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

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

Sec. 211. 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 technology, management, and budget. 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.

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

Sec. 214. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and agencies and the department of technology, management, and budget.

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

Sec. 228. Not later than November 15, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall provide the state budget director, the senate and house appropriations chairs, the senate and house appropriations subcommittees on [insert department name], respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2011 and September 30, 2012.

#### **EXECUTIVE**

Sec. 301. (1) Pursuant to the appropriations in part 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, 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 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 analyses 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 appropriations subcommittees on agriculture and the senate and house fiscal agencies 30 days prior to proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

(3) Annually, before February 1, the department shall provide a report to the senate and house 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.

Sec. 302. 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 senate and house 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.

#### **FOOD AND DAIRY**

Sec. 402. Not later than April 1, 2012, the department shall provide a report to the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies describing significant food-borne outbreaks and emergencies, including any enforcement actions taken related to food safety during the 2010-2011 fiscal year.

#### **ANIMAL INDUSTRY**

Sec. 450. From the funds appropriated in section 106 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.

Sec. 451. From the funds appropriated in section 106 for bovine tuberculosis, the department shall pay for all whole herd testing costs and individual animal testing costs in the modified accredited zone to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 453. (1) Of the funds appropriated in part 1, the department may provide for indemnity as provided for pursuant to the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not to exceed \$100,000.00 per order from any line item for the fiscal year ending September 30, 2012. 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 senate and house appropriations subcommittees on agriculture and to the senate and house fiscal agencies and to the state budget director.

(2) The department of agriculture and rural development shall make an indemnification payment for the fair market value of livestock killed by a wolf, coyote, or cougar, 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 and rural development is authorized to expend the funds received from the department of natural resources to reimburse the department of agriculture and rural development for all indemnification payments made pursuant to this subsection.

Sec. 454. The department shall use its resources to collaborate with the United States department of agriculture to obtain TB-free status for the area of the Lower Peninsula that is zoned as modified accredited advanced. The department shall also aggressively work toward eradicating bovine TB in the modified accredited zone. The department shall also convene a workgroup to work toward eradicating bovine TB in the modified accredited zone.

Sec. 456. Of the funds appropriated in part 1, no funds shall be used to enforce the mandatory electronic animal identification program for any domestic animals other than cattle until specific procedures and guidelines for electronic animal identification are outlined in statute.

Sec. 457. On or before October 15, 2011, and on a quarterly basis thereafter, the department shall report to the senate and house agriculture committees, the senate and house appropriations subcommittees on agriculture, and the senate and house fiscal agencies on the department's progress toward meeting the USDA requirements as outlined in the March 2007 bovine TB program review. The report shall include, but is not limited to, information and data on: wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements set out in the June 2007 MOU; efforts to work with slaughter facilities in Michigan, as well as those that slaughter a significant number of animals from Michigan; educational programs and information for Michigan's livestock community; any other item the legislature should be aware of that will promote or hinder efforts to achieve bovine TB-free status for Michigan.

Sec. 458. From the funds appropriated in section 106 for animal industry, the department shall provide inspection and testing of aquaculture facilities and aquaculture researchers as provided under section 7 of the Michigan aquaculture development act, 1996 PA 199, MCL 286.877. It is the intent of the legislature that the department shall work with aquaculture facilities and aquaculture researchers to identify, contain, and eradicate viral hemorrhagic septicemia in this state.

#### **PESTICIDE AND PLANT PEST MANAGEMENT**

Sec. 551. (1) It is the intent of the legislature that the department work with the fruit and vegetable industry to ensure the development of a sustainable system of third-party inspections of fruits and vegetables.

(2) From the funds appropriated in part 1 for pesticide and plant pest management, not less than \$200,000.00 shall be used for the purpose to ensure that Michigan commodities receive departmental inspections required by other governments to ship commodities out of Michigan. The department shall devise a plan to provide these required government inspections in a timely manner.

#### **ENVIRONMENTAL STEWARDSHIP**

Sec. 601. The part 1 appropriation line item environmental stewardship shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the Michigan natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2008.

Sec. 606. The department shall actively search for all possible funding sources to be used to match federal funds in the USDA environmental quality incentives program.

Sec. 607. (1) It is the intent of the legislature that the department continue its activities in support of intercounty drainage districts as provided in chapter 5 of the drain code of 1956, 1956 PA 40, MCL 280.101 to 280.106.

(2) The department shall work with representatives of intercounty drainage districts to develop a mutually agreeable method of funding department costs associated with the intercounty drainage program.

#### **AGRICULTURE DEVELOPMENT**

Sec. 706. Not later than April 1, 2012, the department shall provide a report to the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies describing the department's agriculture development and export market development activities. The report shall identify grants awarded during the prior fiscal year, including a description of federal or private funds made available as a result of department activities.

Sec. 709. (1) Not later than April 1, 2012, the department shall provide a report to the senate and house appropriations subcommittees on agriculture and the senate and house fiscal agencies describing the activities of the grape and wine industry council established under section 303 of the Michigan liquor control act of 1998, 1998 PA 58, MCL 436.1303.

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

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

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

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

#### **FAIRS AND EXPOSITIONS**

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

Sec. 802. All appropriations from the agriculture equine industry development fund, except for the racing commission and laboratory analysis program appropriations, shall be reduced proportionately if revenues to the agriculture equine industry development fund decline during the fiscal year ending September 30, 2011 to a level lower than the amounts appropriated in section 108.

Sec. 803. In the event there is no live thoroughbred race meet in 2011 or 2012, all purse money and program money appropriated for the thoroughbred industry in fiscal year 2010-2011 and fiscal year 2011-2012 shall be held in escrow for a period not to exceed 18 months, or until a thoroughbred race meet license is applied for and granted by the Michigan gaming control board. In the event there is no thoroughbred meet in 2011 or 2012, the purse pool distribution order to be issued by the Michigan gaming control board in 2012 that delineates distribution between the thoroughbred meet that has been held at pinnacle race course and the joint thoroughbred/quarterhorse meet held in Mt. Pleasant shall be the same distribution formula as issued in 2011, with the thoroughbred portion being held in escrow.

Sec. 804. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house of representatives appropriations subcommittees on agriculture and general government and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

#### **CAPITAL OUTLAY**

Sec. 1002. (1) The director shall allocate lump-sum appropriations made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Lump-sum allocations shall address priority program or facility needs and may include, but are not limited to, design, construction, remodeling and addition, special maintenance, major special maintenance, energy conservation, and demolition.

(2) The state budget director may authorize that funds appropriated for lump-sum appropriations shall be available for no more than 3 fiscal years following the fiscal year in which the original appropriation was made. Any remaining balance from allocations made in this section shall lapse to the fund from which it was appropriated pursuant to the lapsing of funds as provided in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 1003. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

#### **PART 2A**

#### **PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2012-2013**

#### **GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2013 for the line items listed in part 1. The fiscal year 2012-2013 appropriations are anticipated to be the same as those for fiscal year 2011-2012, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2012 consensus revenue estimating conference.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of agriculture and rural development for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; 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.

Mike Green  
 Roger Kahn  
 Hoon-Yung Hopgood  
 Conferees for the Senate

Phil Potvin  
 Anthony G. Forlini  
 Jim Ananich  
 Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,  
 Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 226**

**Yeas—33**

Anderson	Green	Kahn	Proos
Bieda	Hansen	Kowall	Richardville
Booher	Hildenbrand	Marleau	Robertson
Brandenburg	Hopgood	Meekhof	Rocca
Casperson	Hune	Moolenaar	Schuitmaker
Caswell	Hunter	Nofs	Smith
Colbeck	Jansen	Pappageorge	Walker
Emmons	Jones	Pavlov	Whitmer
Gleason			

**Nays—4**

Gregory	Hood	Warren	Young
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**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

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

Senator Colbeck submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 181, entitled**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**  
PART 1

LINE-ITEM APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2012 from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**  
APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	7.0	
Full-time equated classified positions .....	819.0	
<b>GROSS APPROPRIATION</b> .....		\$ 152,483,500
Total interdepartmental grants and intradepartmental transfers .....		1,152,800
Schedule of interdepartmental grant revenue sources:		
IDG, challenge grant .....	152,800	
IDG, community health .....	100,000	
IDG, state police.....	900,000	
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 151,330,700
Total federal revenues.....		87,678,000
Schedule of federal revenue sources:		
DOD-DOA-NGB .....	59,527,800	
DVA-VHA .....	24,657,500	
HHS-Medicare .....	3,262,000	
HHS-Medicaid .....	180,700	
Federal counter narcotics revenues.....	50,000	
Total local revenues .....		744,800
Schedule of local revenue sources:		
Local - school aid revenue .....	744,800	
Total private revenues.....		1,423,300
Schedule of private revenue sources:		
Private donations.....	883,300	
Private-veterans' home post and posthumous funds.....	540,000	
Total other state restricted revenues .....		28,439,700
Schedule of restricted revenue sources:		
Rental fees .....	346,400	
Mackinac bridge authority .....	70,000	
Test project fees.....	100,000	
Income and assessments .....	21,857,800	
Lease revenue .....	12,200	
Michigan veterans trust fund.....	5,053,300	
Michigan family relief fund.....	1,000,000	
State general fund/general purpose .....		\$ 33,044,900

For Fiscal Year  
Ending Sept. 30,  
2012

<b>Sec. 102. MILITARY</b>	
Full-time equated unclassified positions.....	7.0
Full-time equated classified positions .....	285.0
Military.....	\$ 54,119,800
<b>GROSS APPROPRIATION</b> .....	\$ 54,119,800
Appropriated from:	
Interdepartmental grant revenues.....	1,000,000
Federal revenues.....	38,523,900
State restricted revenues .....	884,500
State general fund/general purpose .....	\$ 13,711,400
Schedule of programs:	
Headquarters and armories .....	11,363,300
Unclassified military personnel .....	665,000
Military appeals tribunal.....	900
State active duty .....	100,100
Homeland security .....	1,000,000
Military training sites and support facilities.....	28,212,100
Military training site and support facilities test projects.....	100,000
Departmentwide accounts .....	1,861,300
Special maintenance – state.....	651,200
Special maintenance – federal.....	5,300,000
Military retirement.....	3,784,100
Counter narcotic operations .....	50,000
Information technology services and projects .....	1,031,800
<b>Sec. 103. VETERANS AND COMMUNITY OUTREACH</b>	
Full-time equated classified positions .....	33.0
Veterans and community outreach.....	\$ 15,402,100
<b>GROSS APPROPRIATION</b> .....	\$ 15,402,100
Appropriated from:	
Interdepartmental grant revenues.....	152,800
Federal revenues.....	4,728,000
Local revenues.....	744,800
Private revenues.....	883,300
State restricted revenues .....	5,653,300
State general fund/general purpose .....	\$ 3,239,900
Schedule of programs:	
Veterans advice, advocacy and assistance grants .....	3,029,600
Veterans’ affairs directorate administration .....	205,300
Veterans’ trust fund administration.....	1,306,800
Veterans’ trust fund grants.....	3,746,500
Michigan emergency volunteers .....	5,000
Challenge program.....	4,186,900
Military family relief fund.....	600,000
Starbase grant .....	2,322,000
<b>Sec. 104. HOMES</b>	
Full-time equated classified positions .....	501.0
Homes.....	\$ 66,261,600
<b>GROSS APPROPRIATION</b> .....	\$ 66,261,600
Appropriated from:	
Federal revenues.....	27,726,100
Private revenues.....	540,000
State restricted revenues .....	21,901,900
State general fund/general purpose .....	\$ 16,093,600
Schedule of programs:	
Grand Rapids veterans’ home.....	48,251,000
Board of managers.....	665,000
D.J. Jacobetti veterans’ home .....	17,070,600
Board of managers.....	275,000

For Fiscal Year  
Ending Sept. 30,  
2012

**Sec. 105. CAPITAL OUTLAY**

Capital outlay .....	\$ 16,700,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 16,700,000</b>
Appropriated from:	
Federal revenues .....	16,700,000
State general fund/general purpose .....	\$ 0
Schedule of programs:	
Special maintenance, remodeling and additions .....	15,000,000
Camp grayling – light demolition range .....	1,700,000

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$61,484,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

Military .....	\$ 70,000
Schedule of programs:	
Payments in lieu of taxes .....	70,000
Veterans and community outreach.....	50,000
Schedule of programs:	
County counselor education and training expenses.....	50,000
<b>TOTAL .....</b>	<b>\$ 120,000</b>

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.

Sec. 203. As used in this act:

- (a) “Department” means the department of military and veterans affairs.
- (b) “DOD” means the United States department of defense.
- (c) “DOD-DOA-NGB” means the DOD department of the army, national guard bureau.
- (d) “DTMB” means the department of technology, management, and budget.
- (e) “DVA” means the United States department of veterans affairs.
- (f) “DVA-VHA” means the DVA veterans health administration.
- (g) “IDG” means interdepartmental grant.
- (h) “Work project” means, except as used in section 211, a group of activities featuring a fixed duration, budget, and scope that is expected to cause a measurable change in the delivery, efficiency, or effectiveness of 1 or more operations.
- (i) “Large veterans service organization” means a VSO that can certify that its membership exceeds 30,000 individuals.
- (j) “Medium veterans service organization” means a VSO that can certify that its membership is between 2,500 and 30,000 individuals.
- (k) “Small veterans service organization” means a VSO that can certify that its membership is between 1,000 and 2,499 individuals.
- (l) “VSO” means veterans service organization.

Sec. 204. The following shall constitute the appropriations from part 1 for interdepartmental grant funds received by the department from sources outside the department: \$152,800.00 from challenge grant; \$100,000.00 from the department of community health; and \$900,000.00 from the department of state police.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 207. (1) The department shall maintain a searchable website accessible by the public at no cost that includes, but it not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

(2) The department may develop and operate its own website to provide this information or may reference the state's central transparency website as the source for this information.

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

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

Sec. 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.

Sec. 211. 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 technology, management, and budget. 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.

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

Sec. 213. (1) Due to the current budgetary problems in this state, out-of-state travel for this fiscal year ending September 30, 2012 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 senate and house standing committees on appropriations.

Sec. 214. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and agencies and the department of technology, management, and budget.

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

Sec. 216. (1) Notwithstanding any other provision of this act, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under this act.

(2) Notwithstanding any other provisions of this act, the schedule of revenue sources in part 1 may or may not be received from the funding entities listed.

(3) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 217. The department shall improve its budgetary efficiency pertaining to the delivery of core services delineated in section 211 by doing all of the following:

- (a) Prioritizing personnel over buildings in budgetary efficiency considerations.
- (b) Pursuing the physical or virtual consolidation of support service functions such as information technology, human resources, and accounting as a means of improving standardization and efficiency.
- (c) Seeking expenditure reductions whenever possible through the streamlining of existing service delivery activities.
- (d) Identifying efficiencies that can be gained via the reduction or elimination of programs, policies, and practices which have outlived their usefulness.

Sec. 218. (1) Any unused general fund/general purpose funds for this fiscal year created through efficiencies and identified by the department as potential lapsed funds shall be designated as the department incentive pool balance, provided that all the requirements of this part have been met.

(2) Any funds associated with any supplemental general fund/general purpose fund requests for this fiscal year shall be debited against this fiscal year's department incentive pool balance if it does not meet 1 or more of the following criteria:

- (a) The supplemental funds pertain to the addition of a new core service.
- (b) The supplemental funds pertain to the expansion of existing service capacity beyond current fiscal year expectations.

(3) At the end of this fiscal year, if the incentive pool balance is positive, the department incentive pool balance shall be allocated as follows:

- (a) Ten percent of the unused funds shall be allocated as work project funds to be used in a manner that provides direct benefit to department employees or their families within 12 months of the end of this fiscal year.
- (b) Forty percent of the unused funds shall be allocated as work project funds to be used at the discretion of the department for projects designed to improve service delivery.
- (c) Fifty percent of the unused funds shall be lapsed to the general fund/general purpose fund.

Sec. 219. (1) The department shall be available to meet on a quarterly basis before the appropriate senate and house appropriations subcommittee.

(2) The department shall provide all information necessary to validate that the requirements of this part have been achieved.

(3) The department shall provide a corrective action plan within 30 days of a quarterly report under this section for any requirements of this part that have not been achieved. The department shall provide a monthly status of corrective action plans.

(4) The department shall provide a summary of fund shifts, that have been approved by the state budget office, that have occurred between core services on a quarterly basis to the senate and house appropriations subcommittees.

(5) The department shall provide the following data to the senate and house appropriations subcommittees:

- (a) A list of all major work projects, including a status report of each project.
- (b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) Evidence of efficiencies and management of funds within established appropriations, documented through the DTMB monthly expenditure report as described in section 301(3) of this part.

(d) A list of projected armory closings from section 302(6) of this part.

(e) A list of property sales as described in section 223 of this part.

(6) The department shall provide a corrective action plan for any service metrics that do not meet requirements. The department shall provide a status of correction action plans at the next quarterly review.

(7) The Grand Rapids and D.J. Jacobetti veterans' homes shall provide to the appropriate house and senate appropriations subcommittees the results of the veterans' homes annual veterans' affairs inspection and their corrective action plans.

Sec. 220. The department shall provide the following data to the appropriate senate and house appropriations subcommittees on an annual basis:

(a) Using information received from the grant recipients in section 401 of this part, a progress report on metric requirements, copies of certified financial audits and tax reports of grant recipients, a listing from grant recipients of expenditures by spending category, including a listing of individual salaries of each officer and administrative staff, a listing of volunteer hours including the hours, series, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. The department shall provide within the report a specific notification whether any veterans grant recipients failed to comply with established reporting requirements.

(b) The Grand Rapids veterans' home and the D.J. Jacobetti veterans' home shall produce a report including an accounting of member populations and bed space available, a description and accounting of services and activities provided to members, financial information, and current state nursing home licensure status.

(c) A detailed report of the Michigan veteran's trust fund that includes information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least \$50,000,000.00.

Sec. 221. Grant recipients in section 401 of this part shall submit a report to the department on the number of claims filed for veterans in this state with the United States department of veterans affairs and the number of actual claims awarded.

Sec. 222. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services: armories and joint forces readiness, maintenance and operation of army national guard training facilities, operation and maintenance of air national guard air bases, veterans affairs directorate and administration of the veterans trust fund, administration and oversight of veterans advice, advocacy, and assistance grants, training support for county veterans counselors, administration of the military family relief fund, the Michigan youth challenge academy program, and the administration of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.

Sec. 223. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.

Sec. 224. The department shall consult with the house and senate appropriations subcommittees on state police and military and veterans affairs regarding the projected closing or consolidation of any national guard armories.

Sec. 225. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 226. The department shall seek partnerships with United States armed forces reserve units for the colocation of activities, including sharing in the acquisition and costs for facilities.

Sec. 227. Bids for contract services shall not exclude public employee unions from the bid process.

Sec. 228. Not later than November 15, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house standing committees on appropriations, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall provide the state budget director, the senate and house appropriations chairs, the senate and house appropriations subcommittees on state police and military and veterans affairs, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2011 and September 30, 2012.

#### **MILITARY**

Sec. 301. (1) The department shall provide administrative support for department operations.

(2) The department shall maintain the staffing and resources necessary to ensure proper accountability of state funds.

(3) The department shall maintain the staffing and resources necessary to adhere to the state of Michigan financial management guide for accounting, contracting, purchasing, budgeting, and financial reporting and the administrative guide to state government.

(4) The department shall ensure fiscal controls relating to procurement of goods and services and other expenditures.

Sec. 302. (1) The department shall operate and maintain national guard armories.

(2) The department shall provide resources necessary to ensure that armories are maintained in accordance with army regulation 210-4.

(3) The department shall evaluate armories for consolidation, energy, and utility efficiency and identify work projects that would improve this efficiency.

(4) The department shall provide armory equipment maintenance by maintaining equipment and tracking and monitoring trends in repair maintenance to determine whether a piece of equipment is to be retired or kept.

(5) The department shall provide security for national guard armories by ensuring that a passive electronic security system is in place at all armories.

(6) The department shall consult with the house and senate appropriations subcommittees on state police and military and veterans affairs regarding the projected closing or consolidation of any national guard armories.

(7) Using individual facility assessments, the department shall improve the adequacy of utilities and infrastructure of the armories. The department shall improve quality rating at the armory facilities based on the number of faults corrected and dollars available (spent) during the fiscal year.

Sec. 303. (1) The department shall provide army national guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall provide resources necessary to train and equip military forces to standards set by the United States armed forces.

Sec. 304. (1) The department shall operate and maintain army national guard training facilities, including Fort Custer and Camp Grayling.

(2) The department shall provide resources necessary to meet building maintenance requirements per performance specifications established in master cooperative agreement appendix 1, section 104, national guard bureau regulations.

(3) Army national guard training facilities security management shall secure all locations, monitor alarm equipment, and adhere to state laws, statutes, and army regulation 190-56 and master cooperative agreement appendix 3, section 308, national guard bureau regulations.

(4) Using individual facility assessments, the department shall improve the adequacy of utilities and infrastructure of the air bases. The department shall improve quality rating at the air base facilities based on the number of faults corrected and dollars available (spent) during the fiscal year.

Sec. 305. (1) The department shall provide air national guard forces when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall provide resources necessary to train and equip military forces to standards set by the United States armed forces.

(3) Using individual facility assessments, the department shall improve the adequacy of utilities and infrastructure of the military training sites and support facilities. The department shall improve quality rating at the facilities based on the number of faults corrected and dollars available (spent) during the fiscal year.

Sec. 306. (1) The department shall operate and maintain air national guard air bases, including Selfridge air national guard base, Battle Creek air national guard base, and Alpena combat readiness training center.

(2) The department shall provide resources necessary to meet facility maintenance at air national guard bases, including maintenance and preventive maintenance of authorized building and systems at no less than the minimum standards required by applicable federal, state, and local agencies.

(3) The department shall maintain the staffing and resources necessary to provide security services at air national guard bases, including the security of the location and the monitoring of alarm equipment, in accordance with air force instruction 31-101 and master cooperative agreement appendix 23, section 2308, national guard bureau regulations.

#### **VETERANS AND COMMUNITY OUTREACH**

Sec. 401. (1) The department shall provide advice, advocacy, and assistance services to Michigan veterans.

(2) The department shall maintain the staffing and resources necessary to develop and operate a program that will provide benefits counseling and representation to veterans of this state for the purpose of assisting veterans to obtain United States department of veteran affairs health, financial, and memorial benefits for which they are eligible.

(3) The department shall create a 5-member advisory board consisting of presidents/commanders from 2 large veterans service organizations, 2 medium veterans service organizations, and 1 small veterans service organization. The board shall meet no less than twice a year, without reimbursement by the department, and have the following duties:

(a) Assist the department in establishing criteria for grant awards. The department, while utilizing advice provided by the board in establishing grant criteria, is solely responsible for determination of the amounts and recipients of the grants.

(b) Serve as a liaison between the grant recipients, the department, and the legislature.

(c) Assist the department in developing plans, reviewing service delivery, and identifying goals to better assist veterans in applying for and receiving benefits from the federal, state, and local governments.

(d) Provide a forum regarding veterans' issues, including suggesting changes in department programs that address veterans' changing needs.

(4) Of the appropriation in part 1 for veterans advice, advocacy, and assistance, grants shall be distributed by the department in the form of 5 grants for the period beginning October 1, 2010, including 1 specialized grant. The specialized grant shall be awarded to a group specializing in advocacy for paralyzed veterans.

(5) Money used for grants shall be used only for salaries, wages, related personnel costs, in-state training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff.

(6) The department shall take steps to improve the coordination of veterans' benefits counseling in the state to maximize the effective and efficient use of taxpayer dollars in this goal and to ensure that every veteran is served.

(7) The department shall increase its responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans by working with grant recipients, the veterans advisory board, county veterans counselors, and representatives from the Michigan veterans trust fund to identify, implement, and evaluate steps to do all the following:

(a) Maximize the coordination between all organizations that assist veterans and identify areas of redundancy in services to consolidate.

(b) Increase the percentage of veterans in this state who become aware of their eligibility for service-connected disability or pension benefits from the United States department of veterans affairs.

(c) Improve national standing with regard to veterans affairs benefits granted per veteran.

(d) Expand training opportunities for veteran service organization service officers.

(e) Increase the percentage of veterans in this state who become aware of their eligibility for enrollment in the veterans affairs health care system.

(f) Publicize the availability, benefit, and value of burial in the Fort Custer and Great Lakes national cemeteries.

Sec. 402. (1) The Michigan veterans' trust fund board together with the department shall provide emergency grants for disbursement from the Michigan veterans' trust fund.

(2) The Michigan veterans' trust fund board together with the department shall maintain the staffing and resources necessary to provide outreach to veterans who may need and qualify for veterans trust fund emergency grants.

(3) The Michigan veterans' trust fund board shall work to increase the percentage of grant applications that are approved and received by eligible families by 5% over those approved and received by eligible families in fiscal year 2009-2010.

Sec. 403. (1) The department shall provide grants for disbursement from the military family relief fund.

(2) The department shall maintain the staffing and resources necessary to provide outreach to the Michigan families of active members of the armed forces.

(3) The department shall work to increase the percentage of military family relief grant applications that are approved and received by eligible families by 5% over those approved and received by eligible families in fiscal year 2009-2010.

Sec. 404. (1) The department shall provide training support for county veterans counselors.

(2) The department shall provide resources necessary to provide county veterans counselors with training to ensure quality services to veterans.

(3) The department shall work with counties towards the goal of having at least 1 county veterans counselor in every county in this state.

(4) The Michigan veterans' affairs directorate administration and the Michigan veterans' trust fund administration shall take steps to assist the county veterans counselors of this state to obtain training necessary for the execution of their duties.

Sec. 405. (1) The department shall maintain the Michigan youth challenge academy to provide values, skills, education, and self-discipline instruction for at-risk youth.

(2) The department shall maintain the staffing and resources necessary to recruit and train a starting class size of 144 cadets.

(3) The department shall provide food services for cadets enrolled in the Michigan youth challenge academy which shall include 3 balanced meals a day in accordance with current dietary guidelines for Americans and the daily food guide of the United States department of agriculture.

(4) The department shall ensure that at least 65% of the cadets who enroll in the Michigan youth challenge academy meet the requirement for graduation from the academy.

(5) The department shall ensure that at least 65% of the cadets who enroll in Michigan youth challenge academy take the general educational development exam and that at least 70% of those taking the exam earn a passing grade.

(6) The department shall ensure that less than 3% of cadets who enroll in the Michigan youth challenge academy enter the correctional system within 5 years of graduation from the academy.

(7) The department shall take steps to recruit candidates to the challenge program from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(8) The department shall partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

(9) The funds appropriated in this act for private donations to the Michigan youth challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

### **HOMES**

Sec. 501. (1) The department shall provide compassionate, quality interdisciplinary care at the state's Grand Rapids and D.J. Jacobetti veterans' homes so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide adequate nursing care services to veterans in accordance with federal standards, including the following:

(a) A licensed maximum capacity of skilled nursing beds of 618 at the Grand Rapids veterans' home.

(b) A licensed maximum capacity of domiciliary beds of 140 at the Grand Rapids veterans' home.

(c) A licensed maximum capacity of skilled nursing beds of 182 at the D.J. Jacobetti veterans' home.

(d) A licensed maximum capacity of domiciliary beds of 59 at the D.J. Jacobetti veterans' home.

(3) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that their medical staffing is in accordance with United States department of veterans administration standards.

(4) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that transportation is assured for each resident for every medical appointment outside the veterans' home.

(5) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that each member resident receives daily laundry service.

(6) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that maintenance and custodial services are provided for each home in accordance with applicable local, state, and federal standards.

(7) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that each resident receives a medical and care assessment including a dietary plan upon admission to the home, with meals and snacks provided in accordance with the plan and the United States department of veterans administration rule 325.20803.

(8) The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids and D.J. Jacobetti veterans' homes.

(9) Appropriations in this act for the Grand Rapids and D.J. Jacobetti veterans' homes shall not be used for any purpose other than for veterans and veterans' families.

(10) The department shall, prior to altering the spending plan by the board of managers of post and posthumous funds, report to the appropriate senate and house appropriations subcommittees 30 days prior to that action and shall indicate the rationale for that decision.

(11) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that each CENA has at least 8 hours of training on information provided by the veterans' home.

(12) Any contractor providing competency evaluated nursing assistants to the Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(13) Any contractor providing competency evaluated nursing assistants to the Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the veterans' home.

(14) Any contractor providing competency evaluated nursing assistants to the Grand Rapids and D.J. Jacobetti veteran's homes shall ensure that each CENA has at least 1 year of experience in long-term care.

(15) The Grand Rapids and D.J. Jacobetti veterans' homes shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the veterans' home.

(16) The Grand Rapids and D.J. Jacobetti veterans' homes shall ensure that care services are provided to each resident of the veterans' homes in accordance with standards set by the United States department of veterans' affairs.

#### **CAPITAL OUTLAY**

Sec. 601. (1) The director shall allocate lump-sum appropriations made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Lump-sum allocations shall address priority program or facility needs and may include, but are not limited to, design, construction, remodeling and addition, special maintenance, major special maintenance, energy conservation, and demolition.

(2) The state budget director may authorize that funds appropriated for lump-sum appropriations shall be available for no more than 3 fiscal years following the fiscal year in which the original appropriation was made. Any remaining balance from allocations made in this section shall lapse to the fund from which it was appropriated pursuant to the lapsing of funds as provided in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 602. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

#### **PART 2A**

#### **PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2012-2013**

#### **GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2013 for the line items listed in part 1. The fiscal year 2012-2013 appropriations are anticipated to be the same as those for fiscal year 2011-2012, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2012 consensus revenue estimating conference.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Patrick Colbeck  
Roger Kahn  
Conferees for the Senate

Peter MacGregor  
Nancy E. Jenkins  
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,  
Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 227****Yeas—25**

Booher	Hildenbrand	Marleau	Proos
Brandenburg	Hune	Meekhof	Richardville
Caswell	Jansen	Moolenaar	Robertson
Colbeck	Jones	Nofs	Rocca
Emmons	Kahn	Pappageorge	Schuitmaker
Green	Kowall	Pavlov	Walker
Hansen			

**Nays—12**

Anderson	Gleason	Hopgood	Warren
Bieda	Gregory	Hunter	Whitmer
Casperson	Hood	Smith	Young

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

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

**Protests**

Senators Gregory, Whitmer, Hunter, Hood and Anderson, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 181.

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

The motion prevailed.

Senator Gregory’s statement, in which Senators Whitmer, Hunter, Hood and Anderson concurred, is as follows:

I will not be supporting this bill. I rise in opposition to this bill. I do want to thank the chairman. He has worked hard on this bill, and he has been someone whom you can talk to about the bill. For the most part, this bill has some good qualities in it. There is one part that just stands out with me that just makes it impossible for me to support this bill, and that is the contracting of the employees for the Grand Rapids retirement home.

The proposal is for contractors to privatize these and to take the current employees and replace them with privatized staff. There have been no studies done and no work done to indicate that this is even needed. It is estimated that there will be a \$4.2 million savings for this, and yet there have been no studies done. There has been nothing done to substantiate these numbers that have been put here. For all we know, we could very well be voting for a privatization package that could increase the budget and would actually hurt the state budget.

Without any hard facts and without any clear indications that this will save the state any money, I don’t see how anybody can really vote for this budget with this included in there. Certainly, I will not be supporting this budget, and I would ask that my colleagues do the same.

Senator Colbeck submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 184, entitled**

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2012; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

Recommends:

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

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

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2012; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF STATE POLICE**

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	2.0	
Full-time equated classified positions .....	2,751.0	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 524,282,700</b>
Total interdepartmental grants and intradepartmental transfers .....		23,546,200
Schedule of interdepartmental grant revenue sources:		
IDG, training academy charges .....	2,505,200	
IDG-MDOC, contract .....	167,100	
IDG-MDOS .....	332,000	
IDG-MDOT, state trunkline fund .....	10,586,900	
IDG-MDTR, casino gaming fees.....	5,190,800	
IDG-MDTR, emergency telephone fund coordinator .....	585,800	
IDG-MDTR, emergency telephone fund operations.....	628,900	
IDT, auto theft funds .....	633,400	
IDT, Michigan justice training fund .....	1,450,000	
IDT, truck safety fund .....	1,466,100	
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 500,736,500</b>
Total federal revenues .....		106,051,600
Schedule of federal revenue sources:		
DHS .....	56,202,400	
DOJ.....	15,950,000	
DOJ interest bearing.....	8,136,500	
DOT .....	24,133,800	
Federal investigations-reimbursed services.....	1,034,600	
Federal narcotics investigation revenues .....	594,300	
Total local revenues .....		6,456,700
Schedule of local revenue sources:		
Local-AFIS fees.....	78,100	
Local-LEIN fees .....	1,173,100	
Local-MPSCS subscriber & maintenance fees .....	1,713,100	
Local-reimbursed services .....	1,962,800	
Local-school bus revenue .....	1,529,600	

	For Fiscal Year Ending Sept. 30, 2012
Total private revenues.....	\$ 216,100
Schedule of private revenue sources:	
Private donations.....	216,100
Total state restricted revenues .....	123,336,100
Schedule of restricted revenue sources:	
Auto theft prevention fund .....	6,704,500
Commercial mobile radio service fees .....	7,000,000
CJIC service fees .....	16,370,400
Concealed weapons enforcement fee.....	100,000
Drunk driving prevention & training fund .....	1,299,700
Forensic science reimbursement fees .....	1,352,700
Forfeiture funds .....	75,000
Hazardous materials training center fees.....	1,281,200
Highway safety fund.....	11,814,000
Licensing fees.....	9,100
Michigan justice training fund.....	8,188,400
Michigan merit award trust fund .....	682,000
Motor carrier fees .....	3,865,900
Narcotics investigation revenue .....	989,200
Nuclear plant emergency planning reimbursement.....	2,065,700
Precision driving track fees .....	287,500
Reimbursement services .....	1,195,800
Rental of department aircraft.....	53,300
Secondary road patrol & training fund.....	15,100,500
Sex offenders registration fund.....	283,200
State forensic laboratory fund .....	1,852,900
State police service fees .....	2,087,100
State services fee fund.....	10,254,100
Tobacco tax revenue .....	3,000,000
Traffic crash revenue .....	315,800
Traffic law enforcement and safety fund.....	24,094,400
Trooper school recruitment fund .....	1,100
Truck driver safety fund .....	3,012,600
State general fund/general purpose .....	\$ 264,676,000
<b>Sec. 102. EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions.....	2.0
Full-time equated classified positions .....	38.5
Executive direction .....	\$ 5,083,700
GROSS APPROPRIATION .....	\$ 5,083,700
Appropriated from:	
Interdepartmental grant revenues.....	31,300
State restricted revenues .....	483,600
State general fund/general purpose .....	\$ 4,568,800
Schedule of programs:	
Unclassified positions .....	261,100
Executive direction .....	2,602,400
Special operations and events.....	2,220,200
<b>Sec. 103. SCIENCE, TECHNOLOGY, AND TRAINING BUREAU</b>	
Full-time equated classified positions .....	459.5
Science, technology, and training bureau .....	\$ 100,304,700
GROSS APPROPRIATION .....	\$ 100,304,700
Appropriated from:	
Interdepartmental grant revenues.....	5,458,300
Federal revenues .....	9,332,800
Local revenues .....	2,913,000
State restricted revenues .....	45,379,700
State general fund/general purpose .....	\$ 37,220,900
Schedule of programs:	
Criminal justice information center division .....	11,355,700

For Fiscal Year  
Ending Sept. 30,  
2012

Criminal records improvement .....	2,249,500	
Traffic safety .....	1,922,900	
Laboratory operations .....	28,960,100	
DNA analysis program .....	7,982,800	
Standards and training/justice training grants .....	8,970,400	
Concealed weapons enforcement training .....	100,000	
Training only to local units .....	587,900	
Public safety officers benefit program.....	149,600	
Training administration.....	4,813,300	
Information technology services and projects .....	18,701,700	
Michigan public safety communications system .....	13,060,800	
In-service training-law enforcement distribution.....	450,000	
In-service training-competitive .....	1,000,000	
<b>Sec. 104. FIELD SERVICES BUREAU</b>		
Full-time equated classified positions .....	1,999.0	
Field services bureau .....		\$ 270,391,600
<b>GROSS APPROPRIATION</b> .....		\$ 270,391,600
Appropriated from:		
Interdepartmental grant revenues.....		16,680,500
Federal revenues .....		18,354,300
Local revenues .....		3,484,400
Private revenues .....		216,100
State restricted revenues .....		47,139,400
State general fund/general purpose .....		\$ 184,516,900
Schedule of programs:		
Narcotics investigation funds.....	265,100	
Uniform services.....	44,974,600	
Capitol security.....	659,200	
At-post troopers .....	129,238,300	
Reimbursed services .....	2,087,100	
Operational support .....	7,297,100	
Aviation program .....	1,529,700	
Criminal investigations .....	34,574,500	
Federal antidrug initiatives .....	10,861,900	
Reimbursed services, materials, and equipment .....	2,997,400	
Auto theft prevention.....	1,041,700	
Casino gaming oversight .....	5,028,200	
Fire investigations.....	1,811,800	
Parole absconder sweeps .....	12,200	
Motor carrier enforcement.....	11,019,900	
Truck safety enforcement team operations .....	1,434,300	
Safety inspections .....	6,803,500	
School bus inspections.....	1,521,600	
Safety projects .....	1,802,100	
Traffic services .....	5,431,400	
<b>Sec. 105. SUPPORT SERVICES</b>		
Full-time equated classified positions .....	254.0	
Support services .....		\$ 148,502,700
<b>GROSS APPROPRIATION</b> .....		\$ 148,502,700
Appropriated from:		
Interdepartmental grant revenues.....		1,376,100
Federal revenues .....		78,364,500
Local revenues .....		59,300
State restricted revenues .....		30,333,400
State general fund/general purpose .....		\$ 38,369,400
Schedule of programs:		
Auto theft prevention program .....	6,694,100	
Special maintenance and utilities .....	402,800	

For Fiscal Year  
Ending Sept. 30,  
2012

Rent and building occupancy charges .....	8,363,200
Worker’s compensation.....	3,266,300
Fleet leasing.....	12,980,700
Management services.....	12,476,200
Budget and financial services .....	1,746,000
Office of justice program grants.....	8,497,100
Accounting service center .....	1,031,100
State program planning and administration .....	1,094,100
Secondary road patrol program .....	14,041,600
Truck safety program.....	3,011,000
Federal highway traffic safety coordination .....	12,585,500
Emergency management planning and administration .....	5,701,200
Grants to local government .....	2,482,100
FEMA program assistance.....	4,930,200
Nuclear power plant emergency planning .....	2,030,000
Hazardous materials programs.....	47,169,400
Interdepartmental grant to legislature .....	100

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$388,012,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$19,006,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF STATE POLICE**

Science, technology, and training bureau .....	\$ 4,541,000
Schedule of programs:	
Justice training grants.....	4,375,100
Training only to local units .....	165,900
Support services .....	14,465,000
Schedule of programs:	
Secondary road patrol.....	13,901,200
Management services .....	563,800
<b>TOTAL.....</b>	<b>\$ 19,006,000</b>

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.

Sec. 203. As used in this act:

- (a) “AFIS” means the automated fingerprint identification system.
- (b) “Department” means the department of state police.
- (c) “DHS” means the United States department of homeland security.
- (d) “DNA” means deoxyribonucleic acid.
- (e) “DOJ” means the United State department of justice.
- (f) “DOT” means the United States department of transportation.
- (g) “DTMB” means the department of technology, management, and budget.
- (h) “FEMA” means the federal emergency management agency.
- (i) “IDG” means interdepartmental grant.
- (j) “IDT” means intradepartmental transfer.
- (k) “LEIN” means the law enforcement information network.
- (l) “MCOLES” means Michigan commission on law enforcement standards.
- (m) “MDCH” means the Michigan department of community health.
- (n) “MDOC” means the Michigan department of corrections.
- (o) “MDOS” means the Michigan department of state.
- (p) “MDOT” means the Michigan department of transportation.
- (q) “MDTR” means the Michigan department of treasury.
- (r) “MPSCS” means Michigan public safety communications system.

(s) “Work project” means, except as used in section 211, a group of activities featuring a fixed duration, budget, and scope that is expected to cause a measurable change in the delivery, efficiency, or effectiveness of 1 or more operations.

Sec. 204. The following shall constitute the appropriations from part 1 for interdepartmental grant funds received by the department from sources outside the department: \$2,505,200.00 from training academy charges; \$167,100.00 from the department of corrections contract; \$332,000.00 from the department of state; \$10,586,900.00 from the department of transportation — state trunkline funds; \$5,190,800.00 from casino gaming fees; \$585,800.00 from the department of treasury — emergency telephone fund coordinator; and \$628,900.00 from the department of treasury — emergency telephone fund operations.

Sec. 205. (1) The following shall constitute the appropriations from part 1 for interdepartmental grant funds made from the department to other departments: \$1,095,900.00 to the department of environmental quality—radiological emergency preparedness; \$139,000.00 to the department of attorney general—justice training competitive grant; \$300,000.00 to the judiciary—justice training competitive grant; \$322,300.00 to the department of attorney general—operations; \$900,000.00 to the department of military and veterans affairs—homeland security grant; \$18,701,700.00 to DTMB—information technology services and projects; and \$13,060,800.00 to DTMB—Michigan public safety communications systems.

(2) Based on the availability of federal funding and the demonstrated need as indicated by applications submitted to the state court administrative office, the department shall provide \$1,800,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. (1) The department shall maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

(2) The department may develop and operate its own website to provide this information or may reference the state’s central transparency website as the source for this information.

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

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

Sec. 210. The department 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, for the department. The director of the department shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 211. 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 technology, management, and budget. 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.

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

Sec. 213. (1) Due to the current budgetary problems in this state, out-of-state travel for this fiscal year ending September 30, 2012 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 senate and house of representatives standing committees on appropriations.

Sec. 214. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and agencies and the department of technology, management, and budget.

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

Sec. 216. (1) Notwithstanding any other provision of this act, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under this act, with the following exceptions:

- (a) Standard & training/justice training grants.
- (b) Casino gaming oversight.
- (c) Commercial mobile radio service fees.

(2) Notwithstanding any other provisions of this act, the schedule of revenue sources in part 1 may or may not be received from the funding entities listed.

(3) The secondary road patrol funding is not subject to funding flexibility and shall be funded in accordance with section 629e of the Michigan vehicle code, 1949 PA 300, of MCL 257.629e.

(4) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 217. The department shall improve its budgetary efficiency pertaining to the delivery of core services delineated in section 221 by doing all of the following:

- (a) Prioritizing personnel over buildings in budgetary efficiency considerations.
- (b) Pursuing the physical or virtual consolidation of support service functions such as information technology, human resources, and accounting as a means of improving standardization and efficiency.
- (c) Seeking expenditure reductions whenever possible through the streamlining of existing service delivery activities.
- (d) Identifying efficiencies that can be gained via the reduction or elimination of programs, policies, and practices which have outlived their usefulness.

Sec. 218. (1) Any unused general fund/general purpose funds for this fiscal year created through efficiencies and identified by the department as potential lapsed funds shall be designated as the department incentive pool balance, provided that all the requirements of this part have been achieved.

(2) Any funds associated with any supplemental general fund/general purpose fund requests for this fiscal year shall be debited against this fiscal year's department incentive pool balance if it does not meet 1 or more of the following criteria:

- (a) The supplemental funds pertain to the addition of a new core service.
- (b) The supplemental funds pertain to the expansion of existing service capacity beyond current fiscal year expectations.

(3) At the end of this fiscal year, if the incentive pool balance is positive, the department incentive pool balance shall be allocated as follows:

- (a) Ten percent of the unused funds shall be allocated as work project funds to be used in a manner that provides direct benefit to department employees or their families within 12 months of the end of this fiscal year.
- (b) Forty percent of the unused funds shall be allocated as work project funds to be used at the discretion of the department for projects designed to improve service delivery.
- (c) Fifty percent of the unused funds shall be lapsed to the general fund/general purpose fund.

Sec. 219. (1) The department shall be available to meet on a quarterly basis before the appropriate senate and house appropriations subcommittees.

(2) The department shall provide all information necessary to validate that the requirements of this part have been achieved.

(3) The department shall provide a corrective action plan within 30 days of a quarterly report under this section for any requirements of this part that have not been achieved. The department shall provide a monthly status of correction action plans.

(4) The department shall provide a summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs mentioned in part 1 on a quarterly basis to the senate and house appropriations subcommittees.

(5) The department shall provide the following data to the appropriate senate and house appropriations subcommittees:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) Forensic laboratory system staffing levels and vacancies and backlogs in all disciplines.

Sec. 220. The department shall provide the following data to the appropriate senate and house appropriations subcommittees on an annual basis:

(a) Bridge card enforcement as described section 306(4) of this part.

(b) As it pertains to inspections conducted by the traffic safety division, all of the following:

(i) The number of buses and vehicles inspected by the department.

(ii) The number of buses and vehicles passing and failing inspection.

(iii) The estimated number of buses and vehicles not inspected.

(c) A report on the status of assessments collected and authorized under section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, for the purpose of supporting the secondary road patrol grant program. The report shall contain updated information on collection levels, revised projected grant allotments to counties for the year, a comparison of projected collections and grant distribution levels with the funds appropriated in part 1 for the secondary road patrol program, and the extent collection levels have exceeded or failed to meet appropriated levels for the current fiscal year or expenditure levels from the previous fiscal year.

(d) A report regarding the department's activities related to casino gaming oversight. The report shall contain the following:

(i) The amount of money received and expended.

(ii) The nature and structure of the casino gaming oversight unit.

(iii) The positions and classifications of employees assigned.

(iv) The number of full-time and part-time employees and the aggregate number of FTEs.

(v) The duties and responsibilities of the assigned employees.

Sec. 221. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services: traffic safety and enforcement, complaint and criminal investigations, fire investigation, sex offender registry and enforcement, specialty teams, regional communication centers, civil disorder response – mobilization, capitol security, hazardous materials response training, intelligence gathering and dissemination, state emergency operations center, criminal history system, fingerprint and background checks, the law enforcement information network, forensics, training and recruiting, public awareness campaigns, establishing and monitoring law enforcement standards, and grants administration.

Sec. 222. The department shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies not less than 90 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 223. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 224. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 225. (1) It is the intent of the legislature that the department shall not provide any subsidy for contractual services it provides.

(2) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(3) The department shall define service cost models for those services requiring reimbursement.

(4) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(5) This section does not apply to state agencies.

Sec. 226. The department shall strive to inspect its worksites annually to ensure internal control and quality of service.

Sec. 227. The department shall define interoperability standards to ensure effective communication between state, local, regional, and federal agencies under public safety scenarios. The department shall monitor compliance with these interoperability standards by the agencies and notify the legislature and pertinent agency management of noncompliance within 30 days of this determination.

Sec. 228. Not later than November 15, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairperson of the senate and house standing committees on appropriations, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall provide the state budget director, the senate and house appropriations chairs, the senate and house appropriations subcommittees on state police and military and veterans affairs, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2011 and September 30, 2012.

Sec. 230. The department may pursue entering into an agreement with Calhoun County to build a new facility in that county which would serve as the new state police post for region 4 of district 5, as identified by the department.

Sec. 231. The department, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or are seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to those communities until adequate law enforcement services can be provided to those communities by other means.

Sec. 232. The department shall serve as an active liaison between the department of technology, management, and budget and local public safety agencies to facilitate the use of the MPSCS towers by those local public safety agencies that have an interest in using the towers as a part of their communication system.

#### **SCIENCE, TECHNOLOGY, AND TRAINING BUREAU**

Sec. 301. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall maintain the staffing and resources necessary to provide forensic evidence with an average turnaround time of 82 days assuming an annual caseload volume commensurate with that received in fiscal year 2009-2010.

(3) The department shall define and implement improved methods with the intent of reaching an average 55-day turnaround for forensic evidence.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 302. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall maintain the staffing and resources necessary to provide educational opportunities for personal and professional growth to a minimum of 10,000 state and local law enforcement employees and other public safety partners.

(3) The department shall maintain the staffing and resources necessary to provide educational opportunities for personal and professional growth to a minimum of 3,000 community members.

(4) The department shall define and implement methods with a goal of reducing the cost of training services delivery by 20%. These methods may include the pursuit of technology to reach students throughout the state utilizing distance learning.

(5) The department shall place emphasis on recruiting MCOLES-certified police officers for the trooper recruit school. Emphasis shall be given in the hiring process to those officers who are on layoff and possess valid MCOLES certification. Any emphasis given in the recruiting and selection process shall be consistent with the department's hiring standards and in accordance with civil service rules.

(6) The department shall develop and provide a service delivery cost model for its training activities.

Sec. 303. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers.

(2) MCOLES shall maintain the staffing and resources necessary to provide the basic law enforcement training curriculum for 20 academy programs statewide.

(3) MCOLES shall maintain a minimum 98% passing rate from the MCOLES licensing exam without lowering academic standards to achieve this rate.

Sec. 304. (1) The department shall maintain a criminal history system and the state accident data collection system in the support of public safety and law enforcement communities in this state.

(2) The department shall maintain the staffing and resources necessary to adhere to 1925 PA 289, MCL 28.241 to 28.248.

(3) The department shall improve the accuracy, timeliness, and completeness of criminal history information through outreach targeted to criminal justice agencies.

(4) The department shall maintain the state accident data collection system and make this information available to the public at a reasonable cost. For bulk access to the accident records in which the vehicle identification number has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

Sec. 305. (1) The department shall provide fingerprint and background check services in support of public safety and law enforcement communities in this state.

(2) The department shall maintain the staffing and resources necessary to process fingerprint and background check services commensurate with fiscal year 2009-2010.

(3) The department shall maintain resources and educational outreach for the electronic submission of fingerprint information from local law enforcement agencies and maintain at least a 97% submission rate.

(4) The department shall define and maintain a cost model pertaining to providing fingerprint check services and provide for the following:

(a) Fingerprint service fees shall be commensurate with the actual costs of delivering this service.

(b) The department shall pursue means of reducing the expenses associated with delivering this service.

Sec. 306. (1) The department shall maintain the law enforcement information network in support of public safety and law enforcement communities in this state.

(2) The department shall maintain the staffing and resources necessary to adhere to the C.J.I.S. policy council act, 1974 PA 163, MCL 28.211 to 28.215.

(3) The department shall audit criminal justice agencies as required by federal guidelines.

(4) The department shall work cooperatively with the department of human services to coordinate the functions of the state police LEIN system and the department of human services bridges case management system to provide obtainable data that will allow authorized users of the bridges case management system to identify those persons who may be ineligible to receive certain assistance services due to their law enforcement status.

(5) The department shall implement procedures by which all probation information is placed on the LEIN system and provide for the following:

(a) The LEIN system shall include information on each probationer, including any probation conditions placed on a probationer and the name of the probation officer assigned to the probationer. The LEIN system shall also include any nonstandard probation terms.

(b) If the department determines that amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, are required to include all probation information on the LEIN system, the department shall deliver to members of the senate and house appropriations subcommittees on state police and military and veterans affairs amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, that, in the department's view, are necessary to accomplish this goal. These proposed amendments shall be delivered to subcommittee members not later than December 1, 2011.

(6) The appropriations in part 1 do not contain any funding from LEIN user fees for services rendered in fiscal year 2011-2012. If the department chooses to propose such a fee for fiscal year 2011-2012, the department shall do each of the following:

(a) Notify the senate and house appropriations subcommittees on state police and military and veterans affairs no less than 90 days prior to establishing the fee.

(b) Define and maintain a cost model pertaining to the provision of LEIN administration services. LEIN service fees shall be commensurate with the actual costs of delivering this service. The department shall pursue means of reducing the expenses associated with delivering this service.

#### **FIELD SERVICES BUREAU**

Sec. 401. (1) The department shall oversee traffic safety and enforcement in this state.

(2) The department shall maintain the staffing and resources necessary to make traffic contacts per patrol hours commensurate with the service level and contact areas exhibited in fiscal year 2010-2011. There shall be no degradation of road patrol services to any region of this state.

(3) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout the state.

(4) The department shall maintain the staffing and resources necessary to annually inspect at least 75,000 commercial vehicles.

(5) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for protecting every citizen of this state from harm.

Sec. 402. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to devote a comparable number of hours investigating crimes as those performed in fiscal year 2009-2010.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 56%.

(4) The department shall work with the department of community health, the Michigan health and hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedure for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence.

(5) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit. The appropriations in part 1 include funding from the potential receipt of \$3,000,000.00 in tobacco tax revenue. If these funds become available for expenditure by the department, the department shall utilize them only for costs associated with an increased effort to enforce tobacco tax laws, including the deployment of additional tobacco tax enforcement personnel.

Sec. 403. (1) The department shall provide fire investigation services to citizens of this state through investigative assistance to local law enforcement agencies.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for service which occurred in fiscal year 2009-2010.

(3) The fire investigation unit shall be available for call out statewide 100% of the time.

Sec. 404. (1) The department shall oversee the sex offender registry and its enforcement in this state.

(2) The department shall maintain the staff and resources necessary to enforce the provision of the sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.736.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

Sec. 405. (1) The department shall provide specialty services to citizens of this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2009-2010.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The underwater recovery unit shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money. Money privately donated to the department's canine unit shall be used to purchase equipment and other items to enhance the operation of the canine unit.

Sec. 406. (1) The department shall operate and maintain regional communication centers.

(2) The department shall maintain staffing and resources necessary to provide communication to Michigan state police law enforcement through the regional communication centers by maintaining 47,000 radio contacts per dispatcher.

(3) The department shall improve its budgetary and operational efficiency by consolidating at least 1 regional communication center.

Sec. 407. (1) The department shall provide security services at the state capitol building.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the house office building, Farnum building, capitol parking lot, Townsend parking ramp, and Roosevelt parking ramp.

(3) The department shall pursue federal grants to improve the security at the capitol building.

(4) The department may develop a phased approach for improving security at the capitol building.

Sec. 408. (1) The department shall respond to civil disorders and natural disasters.

(2) The department shall, at a minimum, maintain readiness including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2009-2010.

Sec. 409. The department shall develop a law enforcement delivery of service model in conjunction with each state police post area in the state. In the development of this model, the department shall consider local and county law enforcement capabilities to ensure the efficient delivery of services.

#### **SUPPORT SERVICES**

Sec. 501. (1) The department shall operate the Michigan intelligence operation center as the state's federally recognized fusion center.

(2) The department shall ensure public safety through the emergency management and homeland security division by providing public and private sector partners with timely and accurate information and regarding critical information key resources threats as reported to or discovered by the Michigan intelligence operations center and increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall seek to increase the number of public and private sector contacts which receive vital homeland security information and intelligence in order to enhance the safety and security for citizens of this state.

Sec. 502. (1) The department shall provide hazardous materials response training.

(2) The department shall maintain the staffing and resources necessary to serve approximately 110 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(3) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(4) The department's emergency management division shall make every effort to ensure both of the following:

(a) That homeland security grants offered by the federal government and channeled through the department are allocated to first responder entities in the highest percentage possible.

(b) That homeland security grants awarded to the city of Detroit shall not be used to supplant city general funds designated to support first responder operations.

Sec. 503. (1) The department shall operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(2) The department shall maintain readiness, including training and equipment to respond to civil disorders and natural disasters.

(3) The department shall relocate the state's emergency operations center from its present site at Collins Road to another suitable facility.

(4) The state director of emergency management may expend money appropriated under this act to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(5) In addition to the money appropriated in this act, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Sec. 504. (1) The department shall conduct public awareness campaigns regarding various public safety issues.

(2) The department shall provide resources and technical assistance to train child passenger safety technicians to promote public education and awareness to parents.

(3) Based on available grants, the department shall attempt to identify a trained child passenger safety technician in each county in this state.

Sec. 505. (1) The department shall administer various public safety grants to state, local, and private entities within this state.

(2) The department shall comply with all federal and state guidelines pertaining to grant distributions.

(3) The department shall seek new grant funding to support public safety.

#### **ONE-TIME BASIS ONLY**

Sec. 1001. For the state fiscal year ending September 30, 2012, there is appropriated from general fund/general purpose revenue, on a 1-time basis only, \$800,000.00 for department costs associated with providing traffic control services for the Michigan international speedway.

### PART 2A PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2012-2013

#### **GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2013 for the line items listed in part 1. The fiscal year 2012-2013 appropriations are anticipated to be the same as those for fiscal year 2011-2012, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2012 consensus revenue estimating conference.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2012; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide

for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

Patrick Colbeck  
Roger Kahn  
Conferees for the Senate

Peter MacGregor  
Nancy E. Jenkins  
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,  
Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 228**

**Yeas—24**

Booher	Hansen	Kowall	Pavlov
Casperson	Hildenbrand	Marleau	Proos
Caswell	Hune	Meekhof	Richardville
Colbeck	Jansen	Moolenaar	Robertson
Emmons	Jones	Nofs	Schuitmaker
Green	Kahn	Pappageorge	Walker

**Nays—13**

Anderson	Gregory	Hunter	Warren
Bieda	Hood	Rocca	Whitmer
Brandenburg	Hopgood	Smith	Young
Gleason			

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

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

Senator Schuitmaker submitted the following:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning  
**Senate Bill No. 178, entitled**

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2012; to provide for the expenditures of those appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Recommends:

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

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

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2012; to provide for the expenditures of those appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for higher education for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**HIGHER EDUCATION**

APPROPRIATION SUMMARY

GROSS APPROPRIATION .....	\$ 1,362,278,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION .....	\$ 1,362,278,400
Federal revenues:	
Total federal revenues.....	98,326,400
Special revenue funds:	
Total local revenues.....	0
Total private revenues.....	0
Total other state restricted revenues .....	200,219,500
State general fund/general purpose .....	\$ 1,063,732,500
<b>Sec. 102. CENTRAL MICHIGAN UNIVERSITY</b>	
Operations.....	\$ 61,431,100
Tuition restraint incentive.....	6,677,800
GROSS APPROPRIATION .....	\$ 68,108,900
Appropriated from:	
Special revenue funds:	
State school aid fund.....	11,284,600
State general fund/general purpose .....	\$ 56,824,300
<b>Sec. 103. EASTERN MICHIGAN UNIVERSITY</b>	
Operations.....	\$ 61,319,900
Tuition restraint incentive.....	3,299,200
GROSS APPROPRIATION .....	\$ 64,619,100
Appropriated from:	
Special revenue funds:	
State school aid fund.....	10,706,400
State general fund/general purpose .....	\$ 53,912,700
<b>Sec. 104. FERRIS STATE UNIVERSITY</b>	
Operations.....	\$ 37,971,600
Tuition restraint incentive.....	3,352,700
GROSS APPROPRIATION .....	\$ 41,324,300
Appropriated from:	
Special revenue funds:	
State school aid fund.....	6,846,800
State general fund/general purpose .....	\$ 34,477,500
<b>Sec. 105. GRAND VALLEY STATE UNIVERSITY</b>	
Operations.....	\$ 48,431,500
Tuition restraint incentive.....	4,245,900
GROSS APPROPRIATION .....	\$ 52,677,400
Appropriated from:	
Special revenue funds:	
State school aid fund.....	8,727,800
State general fund/general purpose .....	\$ 43,949,600

For Fiscal Year  
Ending Sept. 30,  
2012

<b>Sec. 106. LAKE SUPERIOR STATE UNIVERSITY</b>	
Operations.....	\$ 10,055,100
Tuition restraint incentive.....	734,400
GROSS APPROPRIATION.....	\$ 10,789,500
Appropriated from:	
Special revenue funds:	
State school aid fund.....	1,787,600
State general fund/general purpose .....	\$ 9,001,900
<b>Sec. 107. MICHIGAN STATE UNIVERSITY</b>	
Operations.....	\$ 222,796,200
Tuition restraint incentive.....	18,324,600
Agriculture experiment and cooperative extension activities .....	52,625,800
GROSS APPROPRIATION.....	\$ 293,746,600
Appropriated from:	
Special revenue funds:	
State school aid fund.....	39,949,900
State general fund/general purpose .....	\$ 253,796,700
<b>Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY</b>	
Operations.....	\$ 37,409,700
Tuition restraint incentive.....	3,323,900
GROSS APPROPRIATION.....	\$ 40,733,600
Appropriated from:	
Special revenue funds:	
State school aid fund.....	6,748,900
State general fund/general purpose .....	\$ 33,984,700
<b>Sec. 109. NORTHERN MICHIGAN UNIVERSITY</b>	
Operations.....	\$ 36,225,200
Tuition restraint incentive.....	2,142,200
GROSS APPROPRIATION.....	\$ 38,367,400
Appropriated from:	
Special revenue funds:	
State school aid fund.....	6,356,900
State general fund/general purpose .....	\$ 32,010,500
<b>Sec. 110. OAKLAND UNIVERSITY</b>	
Operations.....	\$ 39,313,500
Tuition restraint incentive.....	3,831,500
GROSS APPROPRIATION.....	\$ 43,145,000
Appropriated from:	
Special revenue funds:	
State school aid fund.....	7,148,400
State general fund/general purpose .....	\$ 35,996,600
<b>Sec. 111. SAGINAW VALLEY STATE UNIVERSITY</b>	
Operations.....	\$ 21,969,300
Tuition restraint incentive.....	1,592,200
GROSS APPROPRIATION.....	\$ 23,561,500
Appropriated from:	
Special revenue funds:	
State school aid fund.....	3,903,800
State general fund/general purpose .....	\$ 19,657,700
<b>Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR</b>	
Operations.....	\$ 254,931,800
Tuition restraint incentive.....	13,871,500
GROSS APPROPRIATION.....	\$ 268,803,300
Appropriated from:	
Special revenue funds:	
State school aid fund.....	44,536,300
State general fund/general purpose .....	\$ 224,267,000

	For Fiscal Year Ending Sept. 30, 2012
<b>Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN</b>	
Operations.....	\$ 19,627,400
Tuition restraint incentive.....	1,388,900
GROSS APPROPRIATION.....	\$ 21,016,300
Appropriated from:	
Special revenue funds:	
State school aid fund.....	3,482,100
State general fund/general purpose .....	\$ 17,534,200
<b>Sec. 114. UNIVERSITY OF MICHIGAN - FLINT</b>	
Operations.....	\$ 16,679,400
Tuition restraint incentive.....	1,083,000
GROSS APPROPRIATION.....	\$ 17,762,400
Appropriated from:	
Special revenue funds:	
State school aid fund.....	2,942,900
State general fund/general purpose .....	\$ 14,819,500
<b>Sec. 115. WAYNE STATE UNIVERSITY</b>	
Operations.....	\$ 169,209,400
Tuition restraint incentive.....	12,827,500
GROSS APPROPRIATION.....	\$ 182,036,900
Appropriated from:	
Special revenue funds:	
State school aid fund.....	30,160,600
State general fund/general purpose .....	\$ 151,876,300
<b>Sec. 116. WESTERN MICHIGAN UNIVERSITY</b>	
Operations.....	\$ 86,866,700
Tuition restraint incentive.....	6,301,600
GROSS APPROPRIATION.....	\$ 93,168,300
Appropriated from:	
Special revenue funds:	
State school aid fund.....	15,436,500
State general fund/general purpose .....	\$ 77,731,800
<b>Sec. 117. STATE AND REGIONAL PROGRAMS</b>	
Higher education database modernization and conversion.....	\$ 105,000
Midwestern higher education compact.....	95,000
GROSS APPROPRIATION.....	\$ 200,000
Appropriated from:	
State general fund/general purpose .....	\$ 200,000
<b>Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ – ROSA PARKS PROGRAM</b>	
Select student supportive services.....	\$ 1,956,100
Michigan college/university partnership program .....	586,800
Morris Hood, Jr. educator development program.....	148,600
GROSS APPROPRIATION.....	\$ 2,691,500
Appropriated from:	
State general fund/general purpose .....	\$ 2,691,500
<b>Sec. 119. GRANTS AND FINANCIAL AID</b>	
State competitive scholarships.....	\$ 19,861,700
Tuition grants.....	31,664,700
Tuition incentive program .....	43,800,000
Robert C. Byrd honors scholarship program.....	1,500,000
Children of veterans and officer's survivor tuition grant programs .....	1,200,000
Project GEAR-UP.....	1,500,000
GROSS APPROPRIATION.....	\$ 99,526,400
Appropriated from:	
Federal revenues:	
Higher education act of 1965, title IV, 20 USC.....	1,500,000

	For Fiscal Year Ending Sept. 30, 2012
Higher education act of 1965, title IV, part A .....	1,500,000
United States department of education, office of elementary and secondary education, GEAR-UP..	1,500,000
Social security act, temporary assistance for needy families .....	93,826,400
Special revenue funds:	
Contributions to children of veterans tuition grant program.....	200,000
State general fund/general purpose .....	\$ 1,000,000

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under this act for fiscal year 2011-2012 is \$1,263,952,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$0.

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.

Sec. 203. As used in this act, “research university” means a public university classified as a “doctoral/research university,” a “research university (high research activity),” or a “research university (very high research activity)” under the classification of institutions of higher education conducted by the Carnegie foundation.

Sec. 208. Unless otherwise specified, public universities receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. 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 and services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Sec. 210. It is the intent of the legislature that the funds appropriated in part 1 to state institutions of higher education shall not be used to enter into a lease or to purchase a vehicle assembled or manufactured outside of the United States, and that preference be given to vehicles assembled or manufactured in Michigan.

Sec. 211. The principal executive officer of each public university receiving appropriations in part 1 shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services, supplies, or both. Each principal executive officer shall strongly encourage firms with which the university contracts to subcontract with businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. (1) The funds appropriated in part 1 to public universities shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2011. Except for Wayne State University, each institution shall accrue its July and August 2012 payments to its institutional fiscal year ending June 30, 2012.

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, 2011, these data shall be submitted to the state budget director by October 15, 2011. Public universities with a fiscal year ending September 30, 2011 shall submit preliminary HEIDI data by November 15, 2011 and final data by December 15, 2011. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer shall withhold the monthly installments under subsection (1) to the public university until those data are submitted.

Sec. 213. Funds received by the state from the federal government or private sources for the use of a college or university are appropriated for the purposes for which they are provided. The acceptance and use of federal or private funds do not place an obligation upon the legislature to continue the purposes for which the funds are made available.

Sec. 215. A public university that receives funds under this act shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee.

Sec. 216. A public university receiving funds in part 1 shall cooperate with all measures taken by the state to establish a statewide P-20 education longitudinal data system to comply with the state fiscal stabilization fund provisions of the American recovery and reinvestment act of 2009, Public Law 111-5.

Sec. 218. From the funds appropriated in part 1, each public university shall develop, post, and maintain, on a user-friendly and publicly accessible Internet site, a comprehensive report categorizing all institutional general fund expenditures made by the university within a fiscal year. The report shall include institutional general fund expenditure amounts categorized both by each academic unit, administrative unit, or external initiative within the university and by

major expenditure category, including faculty and staff salaries and fringe benefits, facility-related costs, supplies and equipment, contracts, and transfers to and from other university funds. The report shall also include a list of all employee positions funded partially or wholly through institutional general fund revenue that includes the position title, name, and annual salary or wage amount for each position. The university shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

#### **GRANTS AND FINANCIAL AID**

Sec. 301. (1) Payments of the amounts included in part 1 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual maximum state competitive scholarship award per student, which shall be no less than \$600.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in part 1 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least \$600.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$600.00 maximum award amount.

(3) The department of treasury shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

(6) Veterans administration benefits shall not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 302. (1) The amounts appropriated in part 1 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who apply before July 1, 2011 and who are qualified.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsection (7), the department of treasury shall determine an actual maximum tuition grant award per student, which shall be no less than \$1,512.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in part 1 for the state tuition grant program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least \$1,512.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$1,512.00 maximum award amount. By December 15, 2011, and again by February 1, 2012, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in part 1 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than February 15, 2012. If award adjustments are necessary, the students shall be notified of the adjustment by the third Monday in February.

(4) Any unexpended and unencumbered funds remaining on September 30, 2012 from the amounts appropriated in part 1 for the tuition grant program shall not lapse on September 30, 2012, but shall continue to be available for expenditure for tuition grants provided in the 2012-2013 fiscal year under a work project account. The use of these unexpended fiscal year 2011-2012 funds shall terminate at the end of the 2012-2013 fiscal year.

(5) The department of treasury shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(6) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards for fiscal year 2011-2012.

(7) The department of treasury shall not award more than \$3,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the maximum grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department.

Sec. 307. The auditor general may audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards administered by the department of treasury. The audits shall be based upon definitions

and requirements established by the department of treasury, the state budget director, and the senate and house fiscal agencies. The auditor general shall accept the Free Application for Federal Student Aid (FAFSA) form as the standard of residency documentation.

Sec. 308. The sums appropriated in part 1 for the state competitive scholarship, tuition incentive, tuition grant, and the Robert C. Byrd honors scholarship programs shall be paid out of the state treasury and shall be distributed to the respective institutions under a quarterly payment system as follows: 50% shall be paid at the beginning of the state's first fiscal quarter and 50% at the beginning of the state's second fiscal quarter.

Sec. 309. The department of treasury shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, student wages may be taken into consideration when determining the amount of the award.

Sec. 310. (1) The funds appropriated in part 1 for the tuition incentive program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive assistance program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate.

(b) "Phase II" means the second part of the tuition incentive assistance program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(3) A person shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive benefits:

(a) To be eligible for phase I, a person shall meet all of the following criteria:

(i) Apply for certification to the department before graduating from high school or completing the general education development (GED) certificate.

(ii) Be less than 20 years of age at the time of high school graduation or GED completion.

(iii) Be a United States citizen and a resident of Michigan according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or GED certificate completion.

(v) Request information on filing a FAFSA.

(b) To be eligible for phase II, a person shall meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, a person must not be incarcerated and must be financially eligible as determined by the department. A person is financially eligible for the tuition incentive program if that person was Medicaid eligible for 24 months within the 36 months before application. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(8) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(9) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

Sec. 311. To enable the legislature and the state budget director to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature or state budget director, upon request, data regarding grants for the preceding, current, and ensuing fiscal years.

Sec. 315. By February 15 of each year, the department of treasury shall submit a report to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies for the preceding fiscal year on all student financial aid programs for which funds are appropriated in part 1. For each student financial aid program, the report shall include, but is not limited to, the total number of awards paid in the preceding fiscal year, the total dollar amount of those awards, and the number of students receiving awards and the total amount of those awards at each eligible postsecondary institution. To the extent information is available, the report shall also include information on the average exam performance, household income, and other demographic characteristics of students receiving awards under each program and historical information on the number of awards and total award amounts for each program.

### **UNIVERSITY OPERATIONS**

Sec. 402. The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake.

Sec. 426. (1) It is the intent of the legislature that each public university shall develop policies for minimizing the cost of textbooks and course materials used at the university while maintaining quality of education and academic freedom. These policies should require all of the following:

- (a) That faculty members submit lists of required textbooks and course materials for university review.
- (b) That faculty members consider the least costly practices in assigning textbooks and course materials, such as adopting the least expensive edition of a textbook available when educational content is comparable to a more costly edition.
- (c) That the university review any potential financial conflict of interest that may occur if a faculty member requires the purchase of any textbooks or course materials he or she has written.

(2) By February 1, 2012, each public university shall submit a report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies on the policies developed pursuant to this section.

Sec. 433. (1) Included in the appropriation in part 1 for agricultural experiment and cooperative extension activities is \$5,628,100.00 for project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for generating research and extension to meet environmental and economic needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop project GREEN and its program priorities.

(3) By September 30, 2012, Michigan State University shall submit a report to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding school fiscal year regarding expenditures and programmatic outcomes of the agricultural experiment station and cooperative extension service. The report shall include, but is not limited to:

- (a) Total funds expended by the agricultural experiment station and cooperative extension service identified by state, local, private, federal, and university fund sources.
- (b) The dollar amount of each project GREEN project and a review of each project's performance and accomplishments.
- (c) The dollar amount of each bioeconomy research and development project and a review of each project's performance and accomplishments.

(d) The dollar amount and description of all other individual programs and services provided by the agricultural experiment station and cooperative extension service and a review of each project's performance and accomplishments.

(e) The number of businesses created or that had increased employment and the number of patents generated as a result of work conducted by the agricultural experiment station and cooperative extension service.

Sec. 433a. (1) Annually, in partnership with stakeholders of the agricultural experiment station and cooperative extension service, Michigan State University shall develop a set of research and extension priorities. As a part of this effort, Michigan State University and the department of agriculture and rural development, in partnership with the agriculture industry, shall convene a summit to set priorities for research and extension regarding production agriculture.

(2) Not later than September 30, 2012, Michigan State University shall submit a report to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding school fiscal year detailing, but not limited to:

(a) Total funds expended by the agricultural experiment station and by the cooperative extension service identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both the agricultural experiment station and the cooperative extension service with specific reference to accomplishments and impacts.

Sec. 434. Included in the appropriation in part 1 for Michigan State University is \$80,000.00 for the Michigan future farmers of America association. This \$80,000.00 appropriation shall not supplant any existing support that Michigan State University provides to the Michigan future farmers of America association.

Sec. 436. (1) The amounts appropriated in part 1 for public university tuition restraint incentives shall only be paid to a public university that certifies to the state budget director by August 31, 2011 that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after February 1, 2011 for the 2010-2011 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2011-2012 academic year that is greater than the calculated average of annual statewide changes in tuition and fee rates for academic years 2006-2007 through 2010-2011, as determined by the state budget director. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the 2011-2012 academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of rates for all undergraduate classes, based on the highest board-authorized rate for any semester during the academic year.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving an appropriation under part 1 has satisfied the tuition restraint requirements of this section. The state budget director shall have the sole authority to determine if a state university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection shall also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) In conjunction with the uniform reporting requirements established under subsection (2), each public university shall also report the following information to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by August 31, 2011:

(a) Actual fiscal year 2010-2011 and budgeted fiscal year 2011-2012 total general fund tuition and fee revenue.

(b) Actual fiscal year 2010-2011 and budgeted fiscal year 2011-2012 total general fund revenue.

(c) Actual fiscal year 2010-2011 and budgeted fiscal year 2011-2012 general fund expenditures for student financial aid.

(d) Actual fiscal year 2010-2011 and budgeted fiscal year 2011-2012 total general fund expenditures.

(e) Actual fiscal year 2010-2011 and budgeted fiscal year 2011-2012 total fiscal year equated student enrollment.

Sec. 437. It is the intent of the legislature that, in subsequent budget years, public university operations funding appropriated by the legislature shall be allocated to each university using a formula developed and enacted by the legislature. Such a formula shall incent universities to provide, in a cost-effective and timely manner, postsecondary opportunities for students that are both accessible and affordable and that result in a highly skilled workforce.

Sec. 440. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2011-2012 as part of their higher education institutional data inventory (HEIDI) data by August 31, 2011. A public university shall report any revisions for any semester of the reported academic year 2011-2012 tuition and fee charges to HEIDI within 15 days of being adopted.

Sec. 451. For the fiscal year ending September 30, 2012, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund/general purpose.

Sec. 460. From the amount appropriated in part 1 to Central Michigan University for operations, \$29,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 461. From the amount appropriated in part 1 to Lake Superior State University for operations, \$100,000.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 466. Public universities shall coordinate their purchases of goods and services whenever possible. This may include, but is not limited to, group purchases for vehicles, utilities, supplies, electronic equipment, maintenance equipment, books, and contractual services. To the extent possible, the public universities shall use both the "Michigan delivering extended agreements locally" (MiDEAL) purchasing services of the state department of technology, management, and budget that

makes state contracts available to local units of government, colleges, and universities and the purchasing services available through the state's membership in the Midwestern Higher Education Compact (MHEC). Not later than January 1 of each year, the presidents council, state universities of Michigan shall submit to the members of the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director a report on group or pooled purchases and the savings achieved by the public universities in the previous fiscal year.

Sec. 470. By February 15, 2012, each public university receiving funds in part 1 shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding academic program accreditation. The report shall include a list of all individually accredited academic programs at the university, the associated accrediting bodies, and the time periods for which each accreditation is valid, as well as an accounting of all fees, dues, and other direct expenditures made by the university for each program accreditation process conducted in the prior year. Expenditure data may be reported on either a calendar year or fiscal year basis.

Sec. 471. By February 15, 2012, each public university receiving funds in part 1 shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the rejection of transfer credits by the university in the prior year. The report shall include information on the number of credits earned by incoming students at other postsecondary institutions, with the equivalent of a letter grade of C or higher, that were rejected by the university for transfer, reported by both academic program area and prior institution, along with explanatory information regarding the rationale for the rejection of the credits. Data may be reported on either an academic or calendar year basis.

Sec. 472. It is the intent of the legislature that each public university shall submit a report to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director by October 15, 2011, on the university's efforts to accommodate the sincerely held religious beliefs of students enrolled in accredited counseling degree programs at the university.

Sec. 473. It is the intent of the legislature that each public university that has received a donation of human embryos that is subject to section 27 of article I of the state constitution of 1963, or that is conducting ongoing research using human embryonic stem cells derived from donated human embryos pursuant to section 27 of article I of the state constitution of 1963, shall submit a report to the director of the department of community health by December 1, 2011 that includes all of the following:

- (a) The number of human embryos and the number of human embryo stem cell lines received by the university during fiscal year 2010-2011.
- (b) The number of human embryos utilized for research purposes during fiscal year 2010-2011.
- (c) The number of human embryo stem cell lines created from the embryos received during fiscal year 2010-2011.
- (d) The number of donated human embryos being held in storage by the university as of September 30, 2011.
- (e) The number of research projects using human embryonic stem cells derived from donated embryos being conducted by the university.

Sec. 474. (1) It is the intent of the legislature that a public university receiving funds in part 1 not provide health insurance or other fringe benefits for any adult coresident of an employee of the university who is not married to or a dependent of that employee or for any dependent of such an adult coresident.

(2) It is the intent of the legislature that each public university receiving funds in part 1 submit a report by December 1, 2011 to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director containing the number of individuals described in subsection (1) who received health insurance or other fringe benefits provided by the university in fiscal year 2010-2011 and the cost to the university of providing those benefits.

Sec. 480. (1) It is the intent of the legislature that each public university receiving an appropriation in part 1 do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, title V of Public Law 110-252, 38 USC 3301 to 3324, including voluntary participation in the yellow ribbon GI education enhancement program established in that act in 38 USC 3317. By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the presidents council, state universities of Michigan on whether or not it has chosen to participate in the yellow ribbon GI education enhancement program. If at any time during the fiscal year a university participating in the yellow ribbon program chooses to leave the yellow ribbon program, it shall notify the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the presidents council, state universities of Michigan.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the national guard or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the national guard or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(2) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, title V of Public Law 110-252, 38 USC 3301 to 3324.

Sec. 482. Funds appropriated in part 1 shall not be used to pay for the construction or maintenance of a self-liquidating project. A public university shall comply with the current use and finance requirements of the joint capital outlay subcommittee (JCOS) for any construction, renovation, or other capital outlay projects pursuant to JCOS policy. The appropriation in part 1 for a public university that fails to comply with JCOS reporting requirements shall be reduced by 1% for each violation.

Sec. 483. (1) If the combined total of the maximum amount appropriated under this act from the state school aid fund for fiscal year 2011-2012 and the maximum amounts appropriated under the public acts making appropriations for K-12 state school aid and community colleges for that fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under this act are subject to the proration provided under this subsection and subsection (2). If proration is necessary, state payments under this act from the state school aid fund shall be prorated in the manner prescribed in subsection (2) as necessary to reflect the amount available for expenditure from the state school aid fund for fiscal year 2011-2012. However, if the department of treasury determines that proration will be required under this section, or if the department of treasury determines that further proration is required under this section after an initial proration has already been made for a fiscal year, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature in the manner provided for proration under section 11 of the state school aid act of 1979, 1979 PA 94, MCL 388.1611, and the legislature may take action to prevent the proration as described in that section.

(2) If proration is necessary under subsection (1), the department of treasury shall calculate the proration in payments under this act that is required under subsection (1) as follows:

(a) The department of treasury shall calculate the percentage of total state school aid allocated under this act and the public acts making appropriations for K-12 state school aid and community colleges for the affected fiscal year that is used for payments for higher education under this act.

(b) The department of treasury shall recover a percentage of the total proration amount required under subsection (1) that is equal to the percentage calculated under subdivision (a) by reducing payments to public universities under this act on an equal percentage basis.

#### **MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS**

Sec. 501. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in part 1 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each public university in a manner prescribed by the workforce development agency. The workforce development agency shall use a good-faith effort standard to evaluate whether a fellowship is in default.

Sec. 502. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in part 1 to the amount of funds allocated to the college day program.

(3) The program described in this section shall be administered by each public university in a manner prescribed by the workforce development agency.

Sec. 503. (1) Included in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 504. (1) Included in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 505. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The program described in this section shall be administered by the workforce development agency.

Sec. 506. (1) Included in the appropriation in part 1 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the workforce development agency.

(3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 507. Each institution receiving funds under section 503, 504, or 506 shall notify the workforce development agency by April 15, 2012 as to whether it will expend by the end of its fiscal year the funds received under section 503, 504, or 506. Notwithstanding the award limitations in sections 503 and 504, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 503, 504, or 506.

#### **STUDENT PERFORMANCE REPORTING**

Sec. 601. (1) From the amount appropriated in part 1, the public universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan association of secondary school principals.

(2) The Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan association of secondary school principals in cooperation with the presidents council, state universities of Michigan.

Sec. 602. From the amount appropriated in part 1, the public universities shall inform Michigan community colleges regarding the academic status of community college transfer students in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan community college association.

Sec. 603. Public universities shall work with the state community colleges to encourage the transfer of students from the community colleges to the public universities and to facilitate the transfer of credits from the community colleges to the public universities.

Sec. 604. It is the intent of the legislature that public universities work with community colleges in the state to implement statewide reverse transfer agreements to increase the number of students that are awarded credentials of value upon completion of the necessary credits. In doing so, the institutions should work collaboratively and cooperatively to remove administrative barriers that result in understating the academic attainment of Michigan's citizens. It is the intent of the legislature that by August 1, 2012, statewide agreements are in place between community colleges and public universities that enable students who have earned a significant number of credits at a community college and transfer to a baccalaureate granting institution before completing a degree to transfer the credits earned at the baccalaureate institution back to the community college in order to be awarded a credential of value.

#### **GENERAL REPORTS AND AUDITS**

Sec. 701. (1) The auditor general shall review higher education institutional data inventory (HEIDI) enrollment data submitted by all public universities and may perform audits of selected public universities if determined necessary. The review and audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1, 2012.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.

(b) Student credit hours generated through distance learning instruction for students not eligible for the public university's in-state main campus resident tuition rate. However, in instances where a student is enrolled in distance education and non-distance education credit hours in a given term and the student's non-distance education enrollment is at a campus or site located within Michigan, student credit hours per the student's eligibility for in-state or out-of-state tuition rates may be reported.

(c) Student credit hours generated through credit by examination.

(d) Student credit hours generated through inmate prison programs regardless of teaching location.

(e) Student credit hours generated in new degree programs after January 1, 1975, that have not been specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs that do all of the following:

(i) Represent new options, fields, or concentrations within existing programs.

(ii) Are consistent with the current institutional role and mission.

(iii) Are accommodated within the continuing funding base of the public university.

(iv) Do not require a new degree level beyond that which the public university is currently authorized to grant within that discipline or field.

(v) Do not require funding from the state other than that provided by the student credit hours generated within the program, either before program initiation or within the first 3 years of program operation.

(3) The auditor general shall periodically audit higher education institutional data inventory (HEIDI) data as submitted by the public universities for compliance with the definitions established by the state budget director in consultation with the HEIDI advisory committee for the HEIDI database.

(4) "Distance learning instruction" as used in subsection (2) means instruction that occurs solely in other than a traditional classroom setting where the student and instructor are in the same physical location and for which a student receives course credits and is charged tuition and fees. Examples of distance learning instruction are instruction delivered solely through the Internet, cable television, teleconference, or mail.

Sec. 701a. (1) Pursuant to section 701(2)(e), public universities may establish the following degree programs:

(a) Bachelor's degree programs:

Central Michigan University, Athletic Training, B.S.A.T.

Grand Valley State University, Comprehensive Science and Arts for Teaching (CSAT), B.A./B.S.

Northern Michigan University, Fisheries and Wildlife Management, B.S.

Northern Michigan University, German Studies, Baccalaureate

Oakland University, Bachelor of Liberal Studies, B.A.

University of Michigan-Dearborn, Bio-Engineering, B.S.E.

University of Michigan-Dearborn, Integrated Science, B.S.

University of Michigan-Flint, Economics, B.S.

University of Michigan-Flint, Energy and Sustainable Systems, B.S.

University of Michigan-Flint, English with a Specialization in Linguistics, B.A.

Wayne State University, Astronomy, B.A.

Wayne State University, Biomedical Engineering, B.S.

(b) Master's degree programs:

Eastern Michigan University, Teaching - Secondary Mathematics, M.A.

Michigan State University, Education for the Health Professions, M.A.

Michigan State University, Marketing Research, M.S.

Oakland University, Clinical Nurse Leadership, M.S.N

Oakland University, Master of Arts Communication, M.A.C

Oakland University, Mechatronics, M.S.

University of Michigan-Ann Arbor, Oral and Maxillofacial Pathology Program, M.S.

University of Michigan-Flint, Master of Public Health, M.P.H.

Wayne State University, Electric-Drive Vehicle Engineering, M.S.

Western Michigan University, Engineering (Chemical), M.S.

(c) Doctoral degree programs:

Central Michigan University, Doctor of Medicine, M.D.

Michigan Technological University, Environmental and Energy Policy, Ph.D.

Michigan Technological University, Geophysics, Ph.D.

Oakland University, Doctor of Medicine, M.D.

University of Michigan-Ann Arbor, Doctor of Nursing Practice, D.N.P.

University of Michigan-Ann Arbor, Doctoral Degree Granting Program in Cancer Biology, Doctoral

University of Michigan-Dearborn, Education Specialist, Ed.S.

University of Michigan-Flint, Doctor of Anesthesia Practice, Dr.A.P.  
University of Michigan-Flint, Doctor of Occupational Therapy, Dr.O.T.  
Western Michigan University, Engineering and Applied Sciences, Ph.D.

(2) The listing of degree programs in subsection (1) does not constitute legislative intent to provide additional dollars for those programs.

(3) When submitting the listing of new degree programs for purposes of section 701(2)(e), the presidents council of state universities shall also provide a listing of degree programs that institutions of higher education will no longer offer in subsequent academic years.

Sec. 708. The auditor general may conduct performance audits of public universities receiving funds in part 1 during the fiscal year ending September 30, 2012 as the auditor general considers necessary.

Sec. 709. A public university receiving funds under part 1 and also subject to the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381, shall make a copy of all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381, available in electronic Internet format on their websites.

Sec. 714. A public university receiving funds under this act and also subject to the family educational rights and privacy act (FERPA), 20 USC 1232g, 34 CFR part 99, shall, when requested, provide information from the records of a student to any person or persons to whom the student has authorized disclosure on a written consent form pursuant to 34 CFR 99.30.

**ONE-TIME BASIS ONLY**

Sec. 1001. For the state fiscal year ending September 30, 2012, there is appropriated from general fund/general purpose revenue, on a 1-time basis only, \$1,900,000.00 for the following purposes:

Eastern Michigan University – autism collaborative center.....	\$	500,000
Michigan State University – facility for rare isotope beams.....		1,200,000
Western Michigan University – economic development and commercialization.....		200,000
TOTAL.....	\$	1,900,000

PART 2A  
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
FOR FISCAL YEAR 2012-2013

**GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2013 for the line items listed in part 1. The fiscal year 2012-2013 appropriations are anticipated to be the same as those for fiscal year 2011-2012, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2012 consensus revenue estimating conference.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2012; to provide for the expenditures of those appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Tonya Schuitmaker  
Roger Kahn  
Conferees for the Senate

Bob Genetski  
Kevin Cotter  
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,

Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

**Roll Call No. 229**

**Yeas—21**

Booher	Hildenbrand	Marleau	Proos
Brandenburg	Hune	Meekhof	Richardville
Casperson	Jansen	Moolenaar	Robertson

Colbeck  
Emmons  
Green

Kahn  
Kowall

Pappageorge  
Pavlov

Schuitmaker  
Walker

**Nays—16**

Anderson  
Bieda  
Caswell  
Gleason

Gregory  
Hansen  
Hood  
Hopgood

Hunter  
Jones  
Nofs  
Rocca

Smith  
Warren  
Whitmer  
Young

**Excused—1**

Johnson

**Not Voting—0**

In The Chair: President

The question being on concurring in the committee recommendation to give the bill immediate effect,  
The recommendation was not concurred in, 2/3 of the members serving not voting therefor.  
Senator Hunter requested the yeas and nays.  
The yeas and nays were ordered, 1/5 of the members present voting therefor.  
The recommendation was concurred in, 2/3 of the members serving voting therefor, as follows:

**Roll Call No. 230**

**Yeas—26**

Booher  
Brandenburg  
Casperson  
Caswell  
Colbeck  
Emmons  
Green

Hansen  
Hildenbrand  
Hune  
Jansen  
Jones  
Kahn  
Kowall

Marleau  
Meekhof  
Moolenaar  
Nofs  
Pappageorge  
Pavlov

Proos  
Richardville  
Robertson  
Rocca  
Schuitmaker  
Walker

**Nays—10**

Anderson  
Bieda  
Gleason

Gregory  
Hood  
Hopgood

Hunter  
Smith

Warren  
Whitmer

**Excused—1**

Johnson

**Not Voting—1**

Young

In The Chair: President

**Protest**

Senator Hood, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 178 and moved that the statement he made during the discussion of the conference report be printed as his reasons for voting “no.”

The motion prevailed.

Senator Hood’s statement is as follows:

I rise today to speak against this Higher Education budget conference report before us and the 15 percent cut to the very institutions we ask to educate our future workforce. As we work to bring in innovative and new employers, we cannot also make the cost of the education of our students higher, which we will need to fill these jobs. These cuts to the state’s investment in our public universities are unacceptable.

Many of these universities were receiving more funding from us in the early 1990s than they are today. That is both astonishing and appalling to me. Think about everything that has happened since the early 1990s in higher education. Over the past few decades, our colleges and universities have had to deal with inflation, increased enrollment, and decreased investment from the government. Our profound disinvestment has led to tuition increase after tuition increase, making a degree even harder to attain.

We are passing this problem on to our already-struggling constituents. Budgets are about priorities, and I think we are sending a clear message—the wrong message—here in how we value our children’s future. We wonder why our students are so quick to leave the state of Michigan.

In addition, there is intent language in this bill that I feel is narrow-minded language to urge public universities not to offer health care benefits to nonmarried domestic partners of their employees. Most Michigan universities already offer these policies, and this proposal will severely penalize those universities trying to recruit and compete for the best faculty with schools in other states. Simply put, the Capitol should not be used as a bully pulpit and try to legislate social issues. I think that is a huge problem right there, but this is a conference committee report, so we can’t amend it and we can’t fix it, but we can vote “no.”

Let’s stand up against these drastic cuts and unscrupulous practices. I urge my colleagues from both sides of the aisle to join me in opposing this budget as it stands before us.

**Recess**

Senator Meekhof moved that the Senate recess until 11:45 a.m.

The motion prevailed, the time being 11:26 a.m.

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

**Recess**

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

The motion prevailed, the time being 11:46 a.m.

12:06 p.m.

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

Senator Caswell submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 179, entitled**

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

Recommends:

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

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

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of human services for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF HUMAN SERVICES**

**APPROPRIATION SUMMARY**

Full-time equated classified positions .....	11,576.5	
Unclassified positions .....	6.0	
Total full-time equated positions .....	11,582.5	
<b>GROSS APPROPRIATION</b> .....		\$ 6,831,704,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		1,243,100
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 6,830,461,800
Federal revenues:		
Federal-other ARRA revenues.....	549,632,400	
Total federal revenues.....	5,077,418,800	
Special revenue funds:		
Total private revenues.....	15,911,100	
Total local revenues.....	27,948,500	
Total other state restricted revenues .....	88,616,500	
State general fund/general purpose .....		\$ 1,070,934,500

**Sec. 102. EXECUTIVE OPERATIONS**

Total full-time equated positions .....	667.7	
Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions .....	661.7	
Unclassified salaries—6.0 FTE positions.....		\$ 647,900
Salaries and wages—273.7 FTE positions .....		16,364,200
Contractual services, supplies, and materials .....		10,192,700
Demonstration projects—9.0 FTE positions .....		13,950,900
Inspector general salaries and wages—136.0 FTE positions .....		7,531,500
Electronic benefit transfer EBT.....		13,009,000
Michigan community service commission—15.0 FTE positions .....		12,161,600
AFC, children’s welfare and day care licensure—228.0 FTE positions .....		25,598,300
State office of administrative hearings and rules .....		5,931,600
<b>GROSS APPROPRIATION</b> .....		\$ 105,387,700

Appropriated from:

Federal revenues:		
Total other federal revenues .....		69,190,800

	For Fiscal Year Ending Sept. 30, 2012
Special revenue funds:	
Total private revenues.....	\$ 8,207,700
Total local revenues.....	175,000
Total other state restricted revenue.....	25,000
State general fund/general purpose .....	\$ 27,789,200
<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	
Full-time equated classified positions .....	192.7
Child support enforcement operations—186.7 FTE positions .....	\$ 22,470,200
Legal support contracts .....	138,753,600
Child support incentive payments .....	32,409,600
State disbursement unit—6.0 FTE positions .....	12,766,100
GROSS APPROPRIATION .....	\$ 206,399,500
Appropriated from:	
Federal revenues:	
Total federal revenues.....	181,100,100
Special revenue funds:	
Total local revenues.....	340,000
Total other state restricted revenues .....	770,000
State general fund/general purpose .....	\$ 24,189,400
<b>Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY</b>	
Full-time equated classified positions .....	16.0
Bureau of community action and economic opportunity—16.0 FTE positions .....	\$ 1,866,400
Community services block grant.....	25,840,000
Weatherization assistance .....	28,340,000
GROSS APPROPRIATION .....	\$ 56,046,400
Appropriated from:	
Federal revenues:	
Total federal revenues.....	56,046,400
State general fund/general purpose .....	\$ 0
<b>Sec. 105. ADULT AND FAMILY SERVICES</b>	
Full-time equated classified positions .....	43.7
Executive direction and support—4.0 FTE positions.....	\$ 456,400
Guardian contract .....	600,000
Adult services policy and administration—6.0 FTE positions.....	701,600
Office of program policy—33.7 FTE positions.....	5,550,900
Employment and training support services .....	6,407,100
Wage employment verification reporting .....	848,700
Urban and rural empowerment/enterprise zones .....	100
Nutrition education.....	30,000,000
Background check program.....	1,000,000
Crisis prevention and elder law of Michigan food for the elderly project.....	100,000
GROSS APPROPRIATION .....	\$ 45,664,800
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	39,713,300
Special revenue funds:	
State general fund/general purpose .....	\$ 5,951,500
<b>Sec. 106. CHILDREN'S SERVICES</b>	
Full-time equated classified positions .....	146.8
Salaries and wages—59.2 FTE positions .....	\$ 3,765,600
Contractual services, supplies, and materials .....	1,276,500
Interstate compact.....	231,600
Children's benefit fund donations .....	21,000
Families first.....	17,950,700
Strong families/safe children—3.0 FTE positions.....	15,072,300
Child protection and permanency—37.5 FTE positions .....	16,264,100
Family reunification program .....	3,977,100
Family preservation and prevention services administration—14.5 FTE positions .....	1,228,200
Children's trust fund administration—12.0 FTE positions.....	1,057,200

	For Fiscal Year Ending Sept. 30, 2012
Children’s trust fund grants .....	\$ 2,825,100
ECIC, early childhood investment corporation .....	12,723,000
Attorney general contract .....	3,923,200
Prosecuting attorney contracts .....	2,561,700
Child protection—5.0 FTE positions.....	862,700
Domestic violence prevention and treatment—14.6 FTE positions .....	14,660,900
Rape prevention and services—0.5 FTE positions.....	3,300,000
Child advocacy centers—0.5 FTE positions .....	1,000,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 102,700,900</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	90,938,200
Special revenue funds:	
Private - children’s benefit fund donations.....	21,000
Compulsive gambling prevention fund.....	1,040,000
Children’s trust fund.....	2,823,700
Sexual assault victims’ prevention and treatment .....	1,000,000
Child advocacy centers fund .....	1,000,000
State general fund/general purpose .....	<b>\$ 5,878,000</b>
<b>Sec. 107. CHILD WELFARE SERVICES</b>	
Full-time equated classified positions .....	3,599.0
Children’s services administration—64.0 FTE positions .....	<b>\$ 4,715,500</b>
Title IV-E compliance and accountability office—5.0 FTE positions.....	432,600
Child welfare institute—40.0 FTE positions .....	5,696,500
Child protective services workers—1,481.0 FTE positions .....	79,228,300
Direct care workers—1,058.0 FTE positions .....	55,111,400
Education planners—14.0 FTE positions .....	736,300
Permanency planning specialists—55.0 FTE positions .....	3,171,000
Child welfare first line supervisors—519.0 FTE positions .....	35,950,600
Administrative support workers—241.0 FTE positions .....	10,438,900
Second line supervisors and technical staff—45.0 FTE positions .....	3,230,100
Permanency planning specialists—62.0 FTE positions .....	3,638,300
Child welfare field staff contractual services, supplies, and materials .....	5,432,200
Settlement monitor .....	1,625,800
Needs assessment .....	4,000,000
Foster care payments .....	186,112,400
Foster care - children with serious emotional disturbance waiver .....	1,769,000
Guardianship assistance program .....	2,170,000
Child care fund.....	205,255,500
Child care fund administration—5.8 FTE positions.....	808,600
Adoption subsidies .....	225,783,500
Adoption support services—7.2 FTE positions.....	33,604,300
Youth in transition—2.0 FTE positions.....	12,264,500
<b>GROSS APPROPRIATION</b> .....	<b>\$ 881,175,300</b>
Appropriated from:	
Federal revenues:	
Total federal revenues.....	493,207,700
Special revenue funds:	
Private - collections .....	1,900,000
Local funds - county chargeback .....	13,388,800
State general fund/general purpose .....	<b>\$ 372,678,800</b>
<b>Sec. 108. JUVENILE JUSTICE SERVICES</b>	
Full-time equated classified positions .....	198.7
W.J. Maxey training school—72.0 FTE positions .....	<b>\$ 11,185,500</b>
Bay pines center—44.0 FTE positions.....	4,900,000
Shawono center—44.0 FTE positions .....	4,900,000
County juvenile officers .....	3,904,300
Community support services—2.0 FTE positions.....	1,600,100
Juvenile justice, administration and maintenance—31.7 FTE positions .....	4,236,200

	For Fiscal Year Ending Sept. 30, 2012
W.J. Maxey memorial fund .....	\$ 45,000
Juvenile accountability block grant—1.0 FTE positions.....	1,296,000
Committee on juvenile justice administration—4.0 FTE positions.....	425,300
Committee on juvenile justice grants .....	5,000,000
GROSS APPROPRIATION .....	\$ 37,492,400
Appropriated from:	
Federal revenues:	
Total federal revenues.....	7,248,800
Special revenue funds:	
Total private revenues.....	45,000
Local funds - state share education funds.....	1,197,500
Local funds - county chargeback .....	9,861,500
State general fund/general purpose .....	\$ 19,139,600
<b>Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS</b>	
Full-time equated classified positions .....	5,937.5
Field staff, salaries and wages—5,695.5 FTE positions .....	\$ 294,203,500
Contractual services, supplies, and materials.....	11,771,300
Medical/psychiatric evaluations.....	9,467,600
Donated funds positions—208.0 FTE positions.....	17,445,600
Training and program support—24.0 FTE positions.....	3,429,400
Wayne County gifts and bequests .....	100,000
Volunteer services and reimbursement .....	1,036,100
SSI advocates—10.0 FTE positions .....	966,700
GROSS APPROPRIATION .....	\$ 338,420,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections .....	100,000
Federal revenues:	
Total other federal revenues .....	211,101,200
Special revenue funds:	
Local funds.....	2,985,700
Private funds - donated funds.....	5,637,400
Private funds - Wayne County gifts .....	100,000
Supplemental security income recoveries.....	746,100
State general fund/general purpose .....	\$ 117,749,800
<b>Sec. 110. DISABILITY DETERMINATION SERVICES</b>	
Full-time equated classified positions .....	747.4
Disability determination operations—721.9 FTE positions .....	\$ 110,723,100
Medical consultation program—21.4 FTE positions.....	2,840,600
Retirement disability determination—4.1 FTE positions .....	847,100
GROSS APPROPRIATION .....	\$ 114,410,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from DMB - office of retirement systems.....	1,143,100
ADJUSTED GROSS APPROPRIATION .....	\$ 113,267,700
Appropriated from:	
Federal revenues:	
Total federal revenues.....	110,491,400
Special revenue funds:	
State general fund/general purpose .....	\$ 2,776,300
<b>Sec. 111. CENTRAL SUPPORT ACCOUNTS</b>	
Rent .....	\$ 47,047,400
Occupancy charge.....	8,228,800
Travel.....	7,216,400
Equipment.....	227,300
Worker's compensation.....	3,363,800
Advisory commissions.....	17,900
Payroll taxes and fringe benefits .....	361,295,600
GROSS APPROPRIATION .....	\$ 427,397,200

For Fiscal Year  
Ending Sept. 30,  
2012

Appropriated from:	
Federal revenues:	
Total other federal revenues .....	\$ 275,273,300
Special revenue funds:	
State general fund/general purpose .....	\$ 152,123,900
<b>Sec. 112. PUBLIC ASSISTANCE</b>	
Full-time equated classified positions .....	33.0
Family independence program .....	\$ 340,948,600
State disability assistance payments.....	27,927,800
Food assistance program benefits.....	3,036,402,200
Food assistance program benefits (ARRA).....	549,632,400
State supplementation.....	60,489,000
State supplementation administration.....	2,681,100
Low-income home energy assistance program.....	116,451,600
Food bank funding.....	1,345,000
Homeless programs .....	11,646,700
Multicultural integration funding .....	1,515,500
Chaldean community foundation.....	100,000
Indigent burial .....	1,000,000
Emergency services local office allocations.....	21,615,500
Licensed and registered child development and care.....	99,312,900
Enrolled child development and care.....	59,842,800
Day care technology and oversight—26.0 FTE positions.....	2,618,400
Refugee assistance program—7.0 FTE positions.....	27,910,700
GROSS APPROPRIATION .....	\$ 4,361,440,200
Appropriated from:	
Federal revenues:	
Federal supplemental nutrition assistance revenues (ARRA) .....	549,632,400
Total other federal revenues .....	3,437,813,600
Special revenue funds:	
Child support collections.....	29,145,800
Supplemental security income recoveries.....	14,955,900
Public assistance recoupment revenue.....	7,010,000
Michigan merit award trust fund.....	30,100,000
State general fund/general purpose .....	\$ 292,782,500
<b>Sec. 113. INFORMATION TECHNOLOGY</b>	
Information technology services and projects.....	\$ 109,591,500
Child support automation .....	45,578,000
GROSS APPROPRIATION .....	\$ 155,169,500
Appropriated from:	
Federal revenues:	
Total federal revenues.....	105,294,000
Special revenue funds:	
State general fund/general purpose .....	\$ 49,875,500

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2011-2012

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$1,159,551,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$103,364,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES	
Child care fund.....	\$ 97,235,600
County juvenile officers .....	3,603,900
State disability assistance payments.....	2,286,600

Legal support contracts .....	3,141,000
Child support enforcement operations.....	583,200
Family independence program .....	153,000
TOTAL.....	\$ <u>107,003,300</u>

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.

Sec. 203. As used in this act:

- (a) "AFC" means adult foster care.
- (b) "ARRA" means the American recovery and reinvestment act of 2009, Public Law 111-5.
- (c) "Children's rights settlement agreement" means the settlement agreement entered in the case of Dwayne B. vs. Granholm, docket no. 2:06-cv-13548 in the United States district court for the eastern district of Michigan.
- (d) "Current fiscal year" means the fiscal year ending September 30, 2012.
- (e) "Department" means the department of human services.
- (f) "Director" means the director of the department of human services.
- (g) "FTE" means full-time equated.
- (h) "IDG" means interdepartmental grant.
- (i) "JET" means jobs, education, and training program.
- (j) "Previous fiscal year" means the fiscal year ending September 30, 2011.
- (k) "SSI" means supplemental security income.
- (l) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of title IV of the social security act, 42 USC 601 to 619.
- (m) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.
- (n) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

Sec. 204. The civil service commission 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.

Sec. 207. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

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

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

Sec. 211. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 212. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues or current year revenues that are in excess of the authorized amount.

(2) The department's ability to satisfy appropriation fund sources in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 213. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the executive operations appropriation unit.

Sec. 214. On a bimonthly basis, the department shall report on the number of FTEs in pay status by type of staff.

Sec. 215. If a legislative objective of this act or the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented without loss of federal financial participation because implementation would conflict with or violate federal regulations, the department shall notify the state budget director, the house and senate appropriations committees, and the house and senate fiscal agencies and policy offices of that fact.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2012 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 senate and house of representatives standing committees on appropriations.

Sec. 219. (1) The department shall maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

(2) The department may develop and operate its own website to provide this information or may reference the state's central transparency website as the source for this information.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 221. If the revenue collected by the department from private and local sources exceeds the amount spent from amounts appropriated in part 1, the revenue may be carried forward, with approval from the state budget director, into the subsequent fiscal year.

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

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

(3) As used in this section:

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

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

Sec. 223. The department shall make a determination of Medicaid eligibility not later than 60 days after all information to make the determination is received from the applicant when disability is an eligibility factor. For all other Medicaid applicants, the department shall make a determination of Medicaid eligibility not later than 45 days after all information to make the determination is received from the applicant.

Sec. 224. The department shall approve or deny a Medicaid application for a patient of a nursing home within 45 days after the receipt of the necessary information.

Sec. 230 (1) The department shall convene a work group of all interested parties to evaluate the feasibility of combining the bureau of child and adult licensing with the contract compliance unit into 1 unit.

(2) By April 1, 2012, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the findings of the work group established in subsection (1).

Sec. 231. If TANF contingency funds for the current fiscal year become available, the department shall utilize all TANF contingency funds the state receives to increase the family independence program earned income disregard or for

reform measures that will fundamentally improve public assistance programs by emphasizing work. An annual report on the expenditures and programs paid by these TANF contingency funds shall be provided to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices no later than November 1, 2012.

Sec. 250. 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 technology, management, and budget. 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.

Sec. 251. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 259. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and agencies and the department of technology, management, and budget.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 265. Within 14 days after the release of the executive budget recommendation, the department shall provide the state budget director, the senate and house appropriations chairs, the senate and house appropriations subcommittees on the department budget, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2011 and September 30, 2012.

Sec. 273. (1) The department shall only use money appropriated in section 102 to prepare regulatory reform plans. Money appropriated in part 1 shall not be used to prepare regulatory reform plans or promulgate rules that exceed statutory authority granted to the department. If the department fails to comply with the provisions of section 39(1) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.239, money shall not be expended for the further preparation of that regulatory plan or the promulgation of rules for that regulatory plan.

(2) Money appropriated in part 1 shall not be used to prepare a regulatory plan or promulgate rules that fail to reduce the disproportionate economic impact on small businesses as required in section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(3) Money appropriated in part 1 shall not be used to prepare a regulatory plan or promulgate rules that grant preferences to private providers of services based on whether that private provider has a collective bargaining agreement with its workers.

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2012 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

- (a) TANF.
- (b) Child care and development funds.
- (c) Title XX social services block grant.
- (d) Title IV-B part I child welfare services block grant.
- (e) Title IV-B part II promoting safe and stable families funds.

(2) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources from all of the following, but not limited to:

- (a) Other departments.
- (b) Local units of government.
- (c) Private sources.

Sec. 279. (1) All contracts relating to human services shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) During the annual budget presentation, the department shall provide the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 284. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 292. By November 1, 2011, the department shall submit a report to the house and senate appropriations subcommittees on the human services budget and the house and senate fiscal agencies on the number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2011.

Sec. 293. The department may use money from the money appropriated in part 1 to strengthen marriage and family relations through the practice of marriage and family therapy for individuals, families, couples, or groups. The goal of the therapy shall be strengthening families by helping them avoid, eliminate, relieve, manage, or resolve marital or family conflict or discord.

Sec. 294. Money appropriated in part 1 for the statewide automated child welfare information system is contingent upon the approval of an advanced planning document from the administration for children and families. If the necessary matching funds are identified and legislatively transferred to the information and technology services and projects line item for this purpose, any corresponding federal revenue required shall be appropriated at a 50% federal match rate. This appropriation may be designated as a work project under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, and carried forward to support completion of this project.

Sec. 296. Not later than November 15, 2012, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 298. The department shall work toward a new supervisor-to-staff ratio in all department divisions and subdivisions, excluding the supervisor-to-staff ratios required by the children's rights settlement agreement, of 1 supervisor to 12 staff members.

#### **EXECUTIVE OPERATIONS**

Sec. 307. (1) From the money appropriated in part 1 for demonstration projects, \$550,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Money distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501(c)(3), and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, including, but not limited to, call volume by community health and human service needs and unmet needs identified through caller data and customer satisfaction metrics.

Sec. 311. The department shall administer licensing and regulation of licensees with the highest priority given to licensing activities that present the highest risk to vulnerable children or adults receiving services of licensees.

#### **ADULT AND FAMILY SERVICES**

Sec. 415. (1) If money becomes available in part 1, the department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for the fatherhood program.

(2) The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support.

(3) A fatherhood initiative program established under this section shall minimally include at least 3 of the following components: promoting responsible, caring, and effective parenting through counseling; mentoring and parental education;

enhancing the abilities and commitment of unemployed or low-income fathers to provide material support for their families and to avoid or leave welfare programs by assisting them to take advantage of job search programs, job training, and education to improve their work habits and work skills; improving fathers' ability to effectively manage family business affairs by means such as education, counseling, and mentoring in household matters; infant care; effective communication and respect; anger management; children's financial support; and drug-free lifestyle.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(5) Upon receipt of the promotion of responsible fatherhood funds from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 416. (1) If money becomes available in part 1, the department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for a marriage initiative program.

(2) The department may choose providers to work with counties that will work to support and strengthen marriages of those eligible under the TANF guidelines. The areas of work may include, but are not limited to, marital counseling, domestic violence counseling, family counseling, effective communication, and anger management as well as parenting skills to improve the family structure.

(3) A marriage initiative program established under this section may include, but is not limited to, 1 or more of the following: public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health; education in high schools on the value of marriage, relationship skills, and budgeting; premarital, marital, family, and domestic violence counseling; effective communication; marriage mentoring programs which use married couples as role models and mentors in at-risk communities; anger management; and parenting skills to improve the family structure.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(5) Upon receipt of the healthy marriage promotion grant from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 423. From the money appropriated in part 1 for elder law of Michigan MiCAFE contract, the department shall allocate not less than \$100,000.00 to the elder law of Michigan MiCAFE to assist this state's elderly population to participate in the food assistance program. The money may be used as state matching funds to acquire available United States department of agriculture funding to provide outreach program activities, such as eligibility screen and information services, as part of a statewide food stamp hotline.

Sec. 425. The department shall implement administrative efforts, either through policy change or proposed legislation, to reduce waste, fraud, and abuse within the employment support services program, including, but not limited to, revisions to current policy on car repair and car purchase payments.

### **CHILDREN'S SERVICES**

Sec. 501. A goal is established that not more than 35% of all children in foster care at any given time during the current fiscal year will have been in foster care for 24 months or more. During the annual budget presentation, the department shall provide a report describing the steps that will be taken to achieve the specific goal established in this section.

Sec. 505. By March 1, 2012, the department and Wayne County shall provide to the senate and house appropriations committees on the department budget and the senate and house fiscal agencies and policy offices a report for youth served in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served within each juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) The department and the child abuse neglect and prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall seek to have the children's trust fund grants distributed no later than October 31 of the current fiscal year.

Sec. 513. (1) The department shall not expend money appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

(a) There is no appropriate placement available in this state as determined by the department interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.

(c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the deputy director for children's services. The department shall notify the appropriate state agency in that state including the name of the out-of-state provider who accepted the placement.

(3) The department shall submit a report by February 1 of each year on the number of children who were placed in out-of-state facilities during the previous fiscal year, the number of Michigan children residing in such facilities at the time of the report, the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by January 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, at a minimum, all of the following:

(i) The total number of reports of abuse or neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(ii) Characteristics of perpetrators of abuse or neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.

(iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(iv) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(v) For the reported complaints of abuse or neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(vi) For the reported complaints of abuse or neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) The information contained in the report required under section 8d(5) of the child protection law, 1975 PA 238, MCL 722.628d, on cases classified under category III.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 523. (1) By March 15 of the current fiscal year, the department shall report on family preservation programs for which money is appropriated in part 1 to the senate and house appropriations subcommittees on the department budget. The report shall contain all of the following for each program:

(a) The average cost per recipient served.

(b) Measurable performance indicators.

(c) Desired outcomes or results and goals that can be measured on an annual basis, or desired results for a defined number of years.

(d) Monitored results.

(e) Innovations that may include savings or reductions in administrative costs.

(2) If money becomes available in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

Sec. 532. (1) The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the

review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. 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 or before January 15 of the current fiscal year on the findings of the annual licensing review.

(2) The department shall conduct licensing reviews no more than once every 2 years for child placing agencies and child caring institutions that are nationally accredited and have no outstanding violations.

Sec. 533. (1) The department shall make payments to child placing facilities for out-of-home care services within 30 days of receiving all necessary documentation from those agencies.

(2) The department shall explore various types of automated payments to private nonprofit child placing facilities to improve speed and accuracy of payments.

(3) The department shall provide a report on the activities under this section by October 1, 2012.

Sec. 536. (1) The department shall place all children within their own county or within a 75-mile radius of the home from which the child entered custody, whichever is greater, unless 1 or more of the following applies:

(a) The child's needs are so exceptional that they cannot be met by a family or facility within the county or 75-mile radius.

(b) The child needs re-placement and the child's permanency goal is to be returned to his or her parents who at the time reside out of the county or 75-mile radius.

(c) The child is to be placed with a relative out of the county or 75-mile radius.

(d) The child is to be placed in an appropriate preadoptive or adoptive home that is out of the county or 75-mile radius.

(2) If placement outside the county or 75-mile radius is made, either of the following applies:

(a) In a "designated county", as defined in section IV.A.3 of the children's rights settlement agreement, the county administrator of children's services shall be specifically required to certify the circumstances supporting the placement in writing, based on his or her own examination of the circumstances and the child's needs and best interests.

(b) In any other county, the children's services field manager shall be specifically required to certify the circumstances supporting the placement in writing, based on his or her own examination of the circumstances and the child's needs and best interests.

Sec. 537. The department, in collaboration with child placing agencies, shall develop a strategy to implement section 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall include a requirement that a department caseworker responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

Sec. 539. The department shall work in collaboration with representatives from child placing agencies to ensure appropriate placement for children who have been adjudicated abused, neglected, or delinquent and for whom residential treatment is required. The department and the representatives from the child placing agencies shall focus on statewide placement criteria to address the best interests of the child in need of services. The placement criteria shall include a continuum of care settings and options as appropriate for each child and his or her needs at specific times, including home placements, relative placements, shelter placements, and other options.

Sec. 546. (1) From the money appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of foster care services not less than a \$37.00 administrative rate.

(2) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general independent living services not less than a \$28.00 administrative rate. For specialized independent living services, the administrative rate paid shall be reduced by 50% of the difference between the general independent living administrative rate and the specialized independent living rate paid in the fiscal year ending September 30, 2009.

Sec. 556. (1) The department shall submit a quarterly report by February 1, May 1, August 1, and November 1 of each fiscal year to the chairpersons of the senate and house appropriations committees, the senate and house fiscal agencies, and the senate and house policy offices that includes all of the following:

(a) A description of how the department is complying with federal requirements to notify prospective adoptive parents about adoption subsidies for which those prospective adoptive parents may qualify.

(b) The number of requests received by the department from adoptive parents for money or reimbursement of costs to attend conferences that include training or discussion of significant adoption issues, the proportion of these requests approved by the department, and the total annual expenditure for approved requests.

(c) The number of fair hearing requests from adoptive parents received by the department challenging the amount of the adoption subsidy, broken down by the stated reason for the challenge.

(d) The number of adoption subsidy payments suspended when the child is still in the custody of the adoptive parent, but no longer in the physical care of the adoptive parent.

(2) From the money appropriated in part 1 for adoption subsidies, \$4,250,000.00 in state general fund/general purpose revenues shall not be expended until the department provides proposed legislation to the senate and house standing committees with primary jurisdiction over matters relating to human services, the senate and house appropriations

subcommittees on the department budget, senate and house fiscal agencies, and senate and house policy offices that would allow adoptive parents up to 1 year after an adoption has been finalized to submit a request to revise the determination of care supplement for an adopted child who has previously existing special needs or request a new determination.

(3) The department shall provide an annual report to the subcommittees of the senate and house appropriation committees on the department budget with the number of complaints filed by adoptive parents who were not notified that their adopted child had special needs.

Sec. 570. From the money appropriated in part 1 for the guardianship assistance program, the department shall provide assistance under this program to children who are eligible under section 3 of the guardianship assistance act, 2008 PA 260, MCL 722.873.

Sec. 574. (1) From the money appropriated in part 1 for foster care payments, \$2,500,000.00 is allocated to support contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive \$2,300.00 for each facilitated licensure. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

(2) From the money appropriated for foster care payments, \$375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 578. The department and child placing agencies shall utilize a standardized assessment tool to ensure greater cooperation between the department and the department of community health and to measure the mental health treatment needs of every child supervised by the department. The department shall use the results of this assessment process to determine the best placement and the best mental health services to be provided for the child while under department supervision.

Sec. 580. The department and the department of community health shall initiate efforts to identify mental health programs and activities where the services of the 2 departments overlap, or are uncoordinated. The goal shall be to provide adequate and stable mental health services which address the need of the individual child without duplicative, confusing, or needlessly complex services. The department shall report on these coordination efforts with the department of community health during the annual budget presentations to the senate and house appropriations subcommittees with jurisdiction over the department budget.

Sec. 583. By February 1 of the current fiscal year, the department, in conjunction with the legislature, shall carry out a work group to determine what caused individuals participating as foster parents during the previous fiscal year to drop out of the program. The department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices a report detailing the work group findings as well as the number of individuals participating as foster parents during the previous fiscal year who dropped out of the program.

Sec. 585. (1) The department shall allow private nationally accredited foster care and adoption agencies to conduct their own staff training, based on current department policies and procedures, provided that the agency trainer and training materials are accredited by the department and that the agency documents to the department that the training was provided. The department shall provide access to any training materials requested by the private agencies to facilitate this training.

(2) By November 1, 2012, the department shall post on the department's website a list of all relevant departmental training materials available to private child placing agencies that are allowed to conduct their own training in accordance with this section. The department shall also provide to private child placing agencies that are allowed to conduct their own training any updated training materials as they become available.

Sec. 588. (1) Concurrent with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, without revision.

(2) The department shall report monthly to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 589. From the money appropriated in part 1 to facilitate the transfer of foster care cases currently under department supervision from department supervision to private child placing agency supervision, the department shall not transfer any foster care cases that require a county contribution to the private agency administrative rate.

#### **PUBLIC ASSISTANCE**

Sec. 601. 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 vrending has been requested meets applicable local housing codes. Vrending 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.

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.

(4) Payments under this section shall be made directly to service providers and not to the individuals who are receiving the assistance.

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 who meets the requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

(3) Except for 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.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income 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.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state residents or illegal immigrants.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 613. The department shall provide reimbursements for the final disposition of indigent persons if the deceased's remains have not been claimed by a person having the right to control the disposition of the body regardless of whether there is no person with that right, the person cannot be located, or the person fails or refuses to exercise that right. The maximum allowable reimbursement for the final disposition shall be \$800.00. In addition, reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will also be made available for an eligible cremation. The reimbursements under this section shall be used for disposal by cremation unless the deceased's expressed religious preference prohibits cremation.

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 business days of the burial or cremation of the deceased person. Each provider of burial services shall be paid directly by the department.

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, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 619. (1) Subject to subsection (2), the department shall exempt from the denial of title IV-A assistance and food assistance benefits under 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.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted in 2 or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22, 1996.

Sec. 620. The department shall establish a work group to explore if privatization of Medicaid eligibility determination would lead to increased efficiencies and budgetary savings. The work group shall include, but not be limited to, the department and members of the legislature.

Sec. 643. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements 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.

Sec. 644. The department shall prioritize the money appropriated in part 1 for homeless programs to support regional homeless shelters that offer wraparound services in cases where shelters have a lower cost per night than an alternative emergency shelter.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 653. From the funds appropriated in part 1 for food assistance, 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.

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.

Sec. 669. The department shall allocate up to \$2,880,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group that does not include an adult.

Sec. 670. By March 1 of the current fiscal year, the department shall submit a report to the house and senate subcommittees on the department budget and house and senate fiscal agencies and policy offices regarding child development and care program activities in the previous fiscal year. The report shall include the following:

(a) The amount of child care payments made by the parents for child care charges, by provider type, not paid by the department's child development and care subsidy.

(b) The number of enrolled child care providers with a reported annual household income of \$15,000.00 or less.

(c) The number of enrolled child care providers with a reported annual household income of more than \$15,000.00 but not more than \$25,000.00.

(d) The number of enrolled child care providers with a reported annual household income of more than \$25,000.00 but not more than \$35,000.00.

(e) The number of enrolled child care providers with a reported annual household income of more than \$35,000.00.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by May 1 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case.

(2) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 673. (1) The department shall immediately send notification to a client participating in the state child development and care program and his or her child care provider if the client's eligibility is reduced or eliminated.

(2) If the department fails to notify a provider as required by subsection (1), the department shall continue to pay for services by the provider to the day of the notice.

(3) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees for the department budget and the senate and house fiscal agencies and policy offices on any additional expenditures paid to child care providers as a result of the requirements in subsection (2).

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 JET employment activities and an estimate of the current percentage of FIP cases that meet federal work participation requirements. 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.

Sec. 680. (1) It is the intent of the legislature that the department achieve \$7,000,000.00 in savings through the child development and care program by revising the maximum number of reimbursable hours per recipient.

(2) It is the intent of the legislature that the department achieve \$5,000,000.00 in savings through the child development and care program by improving the error rates for income verification and income eligibility.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than \$500,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits. On a monthly basis, the department shall provide the department of community health an updated list of telephone numbers for medical assistance recipients.

Sec. 696. From the money appropriated in part 1, the department shall allocate \$100,000.00 to the Chaldean community foundation. This money shall be utilized to provide translation services, health care services, youth tutoring and mentoring programs, and refugee resettlement services.

**JUVENILE JUSTICE SERVICES**

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving money appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve within 30 calendar days after receipt a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(2) The department shall provide a report on the number of counties that fail to submit a service spending plan by October 1 of the current fiscal year. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices by December 15 of the current fiscal year.

Sec. 710. The department, the county of Wayne, and the third circuit court may rewrite the memorandum of understanding (MOU) that permits the county of Wayne to manage its juvenile justice system so that the MOU takes into account all interested parties, including, but not limited to, the legislature.

Sec. 717. (1) The department shall contract using private revenues with the Michigan public health institute to conduct a behavioral health study of juvenile justice facilities operated or contracted for by the state. The study shall utilize diagnostic clinical interviews with and records reviews for a representative random sample of juvenile justice system detainees to develop a report on each of the following:

(a) The proportion of juvenile justice detainees with a primary diagnosis of emotional disorder, the percentage of those detainees considered to currently require mental health treatment, and the proportion of those detainees currently receiving mental health services, including a description and breakdown, encompassing, at a minimum, the categories of inpatient, residential, and outpatient care, of the type of mental health services provided to those detainees.

(b) The proportion of juvenile justice detainees with a primary diagnosis of addiction disorder, the percentage of those detainees considered to currently require substance abuse treatment, and the proportion of those detainees currently receiving substance abuse services, including a description and breakdown, encompassing, at a minimum, the categories of residential and outpatient care, of the type of substance abuse services provided to those detainees.

(c) The proportion of juvenile justice detainees with a dual diagnosis of emotional disorder and addiction disorder, the percentage of those detainees considered to currently require treatment for their condition, and the proportion of those detainees currently receiving that treatment, including a description and breakdown, encompassing, at a minimum, the categories of mental health inpatient, mental health residential, mental health outpatient, substance abuse residential, and substance abuse outpatient, of the type of treatment provided to those detainees.

(d) Data indicating whether juvenile justice detainees with a primary diagnosis of emotional disorder, a primary diagnosis of addiction disorder, and a dual diagnosis of emotional disorder and addiction disorder were previously hospitalized in a state psychiatric hospital for persons with mental illness. These data shall be broken down according to each of these 3 respective categories.

(e) Data indicating whether and with what frequency juvenile justice detainees with a primary diagnosis of emotional disorder, a primary diagnosis of addiction disorder, and a dual diagnosis of emotional disorder and addiction disorder have been detained previously. These data shall be broken down according to each of these 3 respective categories.

(f) Data classifying the types of offenses historically committed by juvenile justice detainees with a primary diagnosis of emotional disorder, a primary diagnosis of addiction disorder, and a dual diagnosis of emotional disorder and addiction disorder. These data shall be broken down according to each of these 3 respective categories.

(g) Data indicating whether juvenile justice detainees have previously received services managed by a community mental health program or substance abuse coordinating agency. These data shall be broken down according to the respective categories of detainees with a primary diagnosis of emotional disorder, a primary diagnosis of addiction disorder, and a dual diagnosis of emotional disorder and addiction disorder.

(2) The report referenced under subsection (1) would be provided not later than June 30 of the current fiscal year to the senate and house appropriations subcommittees on human services, the senate and house fiscal agencies and policy offices, and the state budget director.

Sec. 719. The department shall notify the legislature at least 30 days before closing or making any change in the status, including the licensed bed capacity and operating bed capacity, of a state juvenile justice facility.

Sec. 724. The department shall establish a work group to study the feasibility of contracting out the juvenile justice secure treatment beds for males and females operated by the department's bureau of juvenile justice to private nonprofit child caring institutions that are nationally accredited and licensed in this state. The work group shall include, but not be

limited to, the department, members of the house and senate appropriations subcommittees on the department budget, and representatives of 2 statewide organizations whose members consist of private nonprofit child caring institutions.

#### **LOCAL OFFICE SERVICES**

Sec. 750. The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, and hospitals unless a community-based organization, community mental health agency, nursing home, or hospital requests that the program be discontinued at its facility.

Sec. 753. By January 1, 2012, 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 of the current fiscal year on each specific policy change made to implement enacted legislation and the plans to implement the recommendations, including timelines, 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.

#### **CHILD SUPPORT ENFORCEMENT**

Sec. 901. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 909. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 910. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

#### **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

Sec. 1103. (1) The department shall establish a work group to develop a more efficient way to administer state emergency relief, low income home energy assistance program, and weatherization. The work group shall include, but not be limited to, the department and members of the legislature.

(2) By April 1, 2012, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the findings of the work group established in subsection (1).

Sec. 1105. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 1 of the current fiscal year on the number of homes, the approximate value of each home, and the square footage of each home weatherized through the appropriations in section 104 during the preceding quarter of the calendar year.

#### **PART 2A**

#### **PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2012-2013**

#### **GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2013 for the line items listed in part 1. The fiscal year 2012-2013 appropriations are anticipated to be the same as those

for fiscal year 2011-2012, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2012 consensus revenue estimating conference.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

Bruce Caswell  
Roger Kahn  
Conferees for the Senate

David Agema  
Greg MacMaster  
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,

Senator Meekhof moved that the rule be suspended.

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

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

#### Roll Call No. 231

#### Yeas—26

Booher	Hansen	Marleau	Proos
Brandenburg	Hildenbrand	Meekhof	Richardville
Casperson	Hune	Moolenaar	Robertson
Caswell	Jansen	Nofs	Rocca
Colbeck	Jones	Pappageorge	Schuitmaker
Emmons	Kahn	Pavlov	Walker
Green	Kowall		

#### Nays—11

Anderson	Gregory	Hunter	Whitmer
Bieda	Hood	Smith	Young
Gleason	Hopgood	Warren	

#### Excused—1

Johnson

#### Not Voting—0

In The Chair: President

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

### Protests

Senators Gregory, Hood and Whitmer, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 179.

Senator Gregory and moved that the statement he made during the discussion of the conference report be printed as his reasons for voting “no.”

The motion prevailed.

Senator Gregory’s statement, in which Senators Hood and Whitmer concurred, is as follows:

I rise in opposition to this legislation. I would like to start off by saying to the chairman that he has done a great job. Serving on this committee has been an interesting experience. It was a very hard committee as far as resolving issues. I know the chairman did everything he could to resolve the issues the best that he possibly could, and there were a lot of improvements toward the very end that were desperately needed. For that, I do applaud and appreciate the chairman for doing that.

There are a couple of issues that I rise today to speak out against and the reason why I am voting “no.” The Department of Human Services is a vital lifeline to many residents of Michigan, aiding families who struggle to make ends meet. The critical services provided by DHS speak volumes about our values and how we treat the least among us. Unfortunately, the budget we are voting on today says that we do not treat those with the greatest need very well.

The budget before us says that families in emergency situations will have to wait even longer for help because there will be fewer caseworkers to process their claims, as we are reducing the caseworkers. As everyone knows or has seen or read, over the last couple of years, there is a shortage of caseworkers already. The offices have been threatened, and there have been physical assaults because of the shortages and because of the problems that the residents have had in the offices. Now we are going to reduce another 300, which is going to create even more anguish in these offices.

This budget will lead to more mistakes being made, more families left to languish as overworked staff falls further behind. The budget we have today would end public assistance for 12,600 of the state’s poorest families, and this will go into effect once the Governor signs this bill—12,600 of the state’s poorest will then be dropped off of this. This is not just men and women; this will be their children who will be affected by this. Eliminating support for these families with young children will cost us more down the road in terms of the higher cost of education, special education, and juvenile justice. Personally, I would have liked to have seen some kind of graduated program that wouldn’t have affected us all at one time.

This is not shared sacrifice. This is asking those with nothing left to give to give even more. To those planning on voting for this budget, I say we have actually listened to the voters across our state, and while the people know times are tough and are even prepared to chip in if it truly means shared sacrifice, they are not willing to raise taxes on working families, slash education, and cast aside families in dire need to pay for a \$2 billion cut for business.

I cannot support this legislation and will be voting “no.” I urge my colleagues to listen to their conscience and do the same.

### Committee Reports

The Committee on Agriculture reported

**Senate Bill No. 27, entitled**

A bill to amend 2000 PA 190, entitled “Privately owned cervidae producers marketing act,” by amending sections 2, 3, 4, 6, 7, and 10 (MCL 287.952, 287.953, 287.954, 287.956, 287.957, and 287.960), as amended by 2006 PA 561.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

Joseph R. Hune  
Chairperson

To Report Out:

Yeas: Senators Hune, Booher, Emmons and Hansen

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

### COMMITTEE ATTENDANCE REPORT

The Committee on Agriculture submitted the following:

Meeting held on Thursday, May 19, 2011, at 9:05 a.m., Room 110, Farnum Building

Present: Senators Hune (C), Booher, Emmons and Hansen

Excused: Senator Gleason

The Committee on Regulatory Reform reported

**Senate Bill No. 331, entitled**

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending section 229 (MCL 436.1229), as amended by 2005 PA 288; and to repeal acts and parts of acts.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Tory Rocca  
Chairperson

To Report Out:

Yeas: Senators Rocca, Jones, Hune, Meekhof, Pavlov, Johnson and Warren

Nays: None

The bill was referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Regulatory Reform submitted the following:

Meeting held on Thursday, May 19, 2011, at 12:30 p.m., Room 110, Farnum Building

Present: Senators Rocca (C), Jones, Hune, Meekhof, Pavlov, Johnson and Warren

The Committee on Health Policy reported

**Senate Bill No. 384, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 17048, 17049, 17050, 17076, 17078, 17548, 17549, 17550, 17745, 17757, 18048, 18049, 18050, and 20201 (MCL 333.17048, 333.17049, 333.17050, 333.17076, 333.17078, 333.17548, 333.17549, 333.17550, 333.17745, 333.17757, 333.18048, 333.18049, 333.18050, and 333.20201), section 17048 as amended by 2010 PA 124, sections 17049 and 17549 as amended by 2004 PA 512, sections 17050 and 17550 as amended by 1990 PA 247, sections 17076 and 17548 as amended by 1996 PA 355, section 17078 as amended and sections 18048, 18049, and 18050 as added by 2006 PA 161, section 17745 as amended by 2006 PA 672, section 17757 as amended by 1986 PA 304, and section 20201 as amended by 2006 PA 38.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

James A. Marleau  
Chairperson

To Report Out:

Yeas: Senators Marleau, Robertson, Emmons, Hune, Jones and Warren

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

#### COMMITTEE ATTENDANCE REPORT

The Committee on Health Policy submitted the following:

Meeting held on Thursday, May 19, 2011, at 2:30 p.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators Marleau (C), Robertson, Emmons, Hune, Jones, Schuitmaker and Warren

Excused: Senator Gleason

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Licensing and Regulatory Affairs (SB 175) submitted the following:

Meeting held on Thursday, May 19, 2011, at 11:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senator Jansen (C)

Excused: Senators Kahn and Johnson

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Higher Education (SB 178) submitted the following:

Meeting held on Tuesday, May 24, 2011, at 8:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Schuitmaker (C), Kahn and Hood

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Military and Veterans Affairs (SB 181) submitted the following:  
Meeting held on Tuesday, May 24, 2011, at 8:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building  
Present: Senators Colbeck (C), Kahn and Gregory

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on State Police (SB 184) submitted the following:  
Meeting held on Tuesday, May 24, 2011, at 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building  
Present: Senators Colbeck (C), Kahn and Gregory

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Agriculture and Rural Development (SB 169) submitted the following:  
Meeting held on Tuesday, May 24, 2011, at 9:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building  
Present: Senators Green (C), Kahn and Hopgood

**Scheduled Meetings**

**Economic Development** - Wednesday, May 25, 1:30 p.m., Room 110, Farnum Building (373-5312)

**Finance** - Wednesday, May 25, 12:30 p.m., Room 210, Farnum Building (373-5307) (CANCELED)

**Natural Resources, Environment and Great Lakes** - Thursday, May 26, 8:30 a.m., Room 210, Farnum Building (373-5323)

**Outdoor Recreation and Tourism** - Thursday, May 26, 12:30 p.m., Room 210, Farnum Building (373-5323)

**Redistricting** - Wednesday, May 25, 3:00 p.m., Senate Hearing Room, Ground Floor, Boji Tower (373-5307)

**Reforms, Restructuring and Reinventing** - Wednesday, May 25, 8:30 a.m., Rooms 402 and 403, Capitol Building (373-5324) (CANCELED)

Senator Meekhof moved that the Senate adjourn.  
The motion prevailed, the time being 12:20 p.m.

The President, Lieutenant Governor Calley, declared the Senate adjourned until Wednesday, May 25, 2011, at 10:00 a.m.

CAROL MOREY VIVENTI  
Secretary of the Senate