

**SUBSTITUTE FOR
HOUSE BILL NO. 5294**

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending

1 September 30, 2017, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	471.0	
6	GROSS APPROPRIATION.....		\$ 92,542,400
7	Interdepartmental grant revenues:		
8	IDG from LARA (LCC), liquor quality testing fees.....		220,100
9	IDG from MDEQ, biosolids.....		103,100
10	Total interdepartmental grants and intradepartmental		
11	transfers		323,200
12	ADJUSTED GROSS APPROPRIATION.....		\$ 92,219,200
13	Federal revenues:		
14	Department of Interior.....		273,800
15	EPA, multiple grants.....		1,313,100
16	HHS, multiple grants.....		2,520,600
17	USDA, multiple grants.....		6,363,700
18	Total federal revenues.....		10,471,200
19	Special revenue funds:		
20	Private - commodity group revenue.....		109,600
21	Private - slow-the-spread foundation.....		21,100
22	Total private revenues.....		130,700
23	Agricultural preservation fund.....		609,800
24	Agriculture equine industry development fund.....		3,667,200
25	Agriculture licensing and inspection fees.....		4,107,400
26	Animal welfare fund.....		193,300
27	Commodity inspection fees.....		516,000

1	Consumer and industry food safety education fund.....	355,400
2	Dairy and food safety fund.....	4,983,800
3	Feed control fund.....	1,135,200
4	Fertilizer control fund.....	762,600
5	Freshwater protection fund.....	6,401,300
6	Gasoline inspection and testing fund.....	1,990,200
7	Grain dealers fee fund.....	615,000
8	Horticulture fund.....	38,800
9	Industry support funds.....	433,300
10	Migratory labor housing fund.....	167,800
11	Nonretail liquor fees.....	904,200
12	Private forestland enhancement fund.....	288,200
13	Refined petroleum fund.....	3,873,200
14	Rural development fund.....	2,000,000
15	Testing fees.....	293,100
16	Weights and measures regulation fees.....	793,500
17	Total other state restricted revenues.....	34,129,300
18	State general fund/general purpose.....	\$ 47,488,000
19	Sec. 102. DEPARTMENTWIDE	
20	Full-time equated unclassified positions.....	6.0
21	Full-time equated classified positions.....	32.0
22	Commissions and boards.....	\$ 23,800
23	Unclassified positions--6.0 FTE positions.....	545,900
24	Executive direction--9.0 FTE positions.....	1,413,500
25	Operational services--19.0 FTE positions.....	1,882,700
26	Statistical reporting service--1.0 FTE position.....	153,600
27	Emergency management--3.0 FTE positions.....	614,600

1	Accounting service center.....	1,141,600
2	Building occupancy charges.....	<u>631,200</u>
3	GROSS APPROPRIATION.....	\$ 6,406,900
4	Appropriated from:	
5	Federal revenues:	
6	HHS, multiple grants.....	331,900
7	Special revenue funds:	
8	Private - commodity group revenue.....	79,100
9	Agricultural preservation fund.....	15,200
10	Agriculture licensing and inspection fees.....	263,900
11	Commodity inspection fees.....	1,100
12	Dairy and food safety fund.....	416,900
13	Feed control fund.....	38,900
14	Fertilizer control fund.....	24,000
15	Freshwater protection fund.....	67,500
16	Gasoline inspection and testing fund.....	80,000
17	Grain dealers fee fund.....	7,900
18	Industry support funds.....	54,300
19	Migratory housing fund.....	28,600
20	Nonretail liquor fees.....	28,100
21	Refined petroleum fund.....	220,300
22	State general fund/general purpose.....	\$ 4,749,200
23	Sec. 103. INFORMATION AND TECHNOLOGY	
24	Information technology services and projects.....	\$ <u>1,768,500</u>
25	GROSS APPROPRIATION.....	\$ 1,768,500
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from LARA (LCC), liquor quality testing fees		3,200
2	Special revenue funds:		
3	Agricultural preservation fund.....		200
4	Agriculture licensing and inspection fees.....		93,800
5	Dairy and food safety fund.....		61,200
6	Freshwater protection fund.....		100
7	Gasoline inspection and testing fund.....		31,800
8	Nonretail liquor fees.....		500
9	State general fund/general purpose.....	\$	1,577,700
10	Sec. 104. FOOD AND DAIRY		
11	Full-time equated classified positions.....	121.0	
12	Food safety and quality assurance--91.0 FTE positions	\$	13,586,400
13	Milk safety and quality assurance--30.0 FTE positions		<u>4,260,100</u>
14	GROSS APPROPRIATION.....	\$	17,846,500
15	Appropriated from:		
16	Federal revenues:		
17	HHS, multiple grants.....		1,193,800
18	USDA, multiple grants.....		136,300
19	Special revenue funds:		
20	Consumer and industry food safety education fund.....		355,400
21	Dairy and food safety fund.....		4,434,500
22	State general fund/general purpose.....	\$	11,726,500
23	Sec. 105. ANIMAL INDUSTRY		
24	Full-time equated classified positions.....	60.0	
25	Animal disease prevention and response--60.0 FTE		
26	positions	\$	9,054,500
27	Indemnification - livestock depredation.....		<u>50,000</u>

1	GROSS APPROPRIATION.....	\$	9,104,500
2	Appropriated from:		
3	Federal revenues:		
4	Department of Interior.....		50,800
5	HHS, multiple grants.....		46,600
6	USDA, multiple grants.....		527,900
7	Special revenue funds:		
8	Private commodity group revenue.....		30,500
9	Agriculture licensing and inspection fees.....		59,300
10	Animal welfare fund.....		193,300
11	State general fund/general purpose.....	\$	8,196,100
12	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
13	Full-time equated classified positions.....	92.0	
14	Pesticide and plant pest management--86.0 FTE		
15	positions	\$	13,672,000
16	Producer security/grain dealers--6.0 FTE positions ...		<u>653,500</u>
17	GROSS APPROPRIATION.....	\$	14,325,500
18	Appropriated from:		
19	Federal revenues:		
20	Department of Interior.....		101,700
21	EPA, multiple grants.....		533,100
22	HHS, multiple grants.....		325,000
23	USDA, multiple grants.....		843,800
24	Special revenue funds:		
25	Private - slow-the-spread foundation.....		21,100
26	Agriculture licensing and inspection fees.....		3,611,600
27	Commodity inspection fees.....		514,900

1	Feed control fund.....		948,600
2	Fertilizer control fund.....		738,600
3	Freshwater protection fund.....		153,900
4	Grain dealers fee fund.....		607,100
5	Horticulture fund.....		38,800
6	Industry support funds.....		246,400
7	State general fund/general purpose.....	\$	5,640,900
8	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
9	Full-time equated classified positions.....	55.0	
10	Environmental stewardship - MAEAP--23.0 FTE positions	\$	9,146,800
11	Farmland and open space preservation--7.0 FTE		
12	positions		1,922,100
13	Qualified forest program--9.0 FTE positions		2,582,700
14	Migrant labor housing--9.0 FTE positions		1,199,400
15	Right-to-farm--3.0 FTE positions		577,600
16	Intercounty drain--4.0 FTE positions		<u>484,400</u>
17	GROSS APPROPRIATION.....	\$	15,913,000
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from MDEQ, biosolids.....		103,100
21	Federal revenues:		
22	Department of Interior.....		121,300
23	EPA, multiple grants.....		608,300
24	USDA, multiple grants.....		922,300
25	Special revenue funds:		
26	Agricultural preservation fund.....		594,400
27	Freshwater protection fund.....		6,179,800

1	Migratory labor housing fund.....		139,200
2	Private forestland enhancement fund.....		288,200
3	State general fund/general purpose.....	\$	6,956,400
4	Sec. 108. LABORATORY PROGRAM		
5	Full-time equated classified positions.....	96.0	
6	Laboratory services--42.0 FTE positions.....	\$	6,611,000
7	USDA monitoring--13.0 FTE positions.....		1,616,500
8	Consumer protection program--41.0 FTE positions.....		6,637,400
9	Diagnostic center for population and animal health...		<u>1,100,000</u>
10	GROSS APPROPRIATION.....	\$	15,964,900
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from LARA (LCC), liquor quality testing fees.....		216,900
14	Federal revenues:		
15	EPA, multiple grants.....		171,700
16	HHS, multiple grants.....		623,300
17	USDA, multiple grants.....		1,617,400
18	Special revenue funds:		
19	Agriculture licensing and inspection fees.....		78,800
20	Dairy and food safety fund.....		71,200
21	Feed control fund.....		147,700
22	Gasoline inspection and testing fund.....		1,878,400
23	Refined petroleum fund.....		3,652,900
24	Testing fees.....		293,100
25	Weights and measures regulation fees.....		793,500
26	State general fund/general purpose.....	\$	6,420,000
27	Sec. 109. AGRICULTURE DEVELOPMENT		

1	Full-time equated classified positions.....	15.0	
2	Agriculture development--11.0 FTE positions		\$ 3,604,300
3	Grape and wine program--3.0 FTE positions		921,000
4	Value-added grants		500,000
5	Rural development fund grant program--1.0 FTE		
6	position		2,000,000
7	Vital agriculture infrastructure grant program.....		220,000
8	Healthy food assistance program.....		<u>100</u>
9	GROSS APPROPRIATION.....		\$ 7,245,400
10	Appropriated from:		
11	Federal revenues:		
12	USDA, multiple grants.....		2,316,000
13	Special revenue funds:		
14	Industry support funds.....		132,600
15	Nonretail liquor fees.....		875,600
16	Rural development fund.....		2,000,000
17	State general fund/general purpose.....		\$ 1,921,200
18	Sec. 110. FAIRS AND EXPOSITIONS		
19	Fairs and racing.....		\$ 256,600
20	County fairs capital improvement grants.....		300,000
21	Purses and supplements - fairs/licensed tracks.....		708,300
22	Licensed tracks - light horse racing.....		40,300
23	Light horse racing - breeders' awards.....		20,000
24	Standardbred breeders' awards.....		345,900
25	Standardbred purses and supplements - licensed tracks		671,800
26	Standardbred sire stakes.....		275,000
27	Thoroughbred supplements - licensed tracks.....		601,900

1	Thoroughbred breeders' awards.....	368,600
2	Thoroughbred sire stakes.....	<u>378,800</u>
3	GROSS APPROPRIATION.....	\$ 3,967,200
4	Appropriated from:	
5	Special revenue funds:	
6	Agriculture equine industry development fund.....	3,667,200
7	State general fund/general purpose.....	\$ 300,000

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 FOR FISCAL YEAR 2016-2017

11 GENERAL SECTIONS

12 Sec. 201. Pursuant to section 30 of article IX of the state
 13 constitution of 1963, total state spending from state resources
 14 under part 1 for fiscal year 2016-2017 is \$81,617,300.00 and state
 15 spending from state resources to be paid to local units of
 16 government for fiscal year 2016-2017 is \$4,750,000.00. The itemized
 17 statement below identifies appropriations from which spending to
 18 local units of government will occur:

19 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

20	Environmental stewardship/MAEAP.....	\$ 3,250,000
21	Qualified forest program.....	<u>1,500,000</u>
22	TOTAL.....	\$ 4,750,000

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

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

2 (a) "Department" means the department of agriculture and rural
3 development.

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

5 (c) "EPA" means the United States Environmental Protection
6 Agency.

7 (d) "FDA" means the United States Food and Drug
8 Administration.

9 (e) "Fiscal agencies" means the Michigan house fiscal agency
10 and the Michigan senate fiscal agency.

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

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

14 (h) "IDG" means interdepartmental grant.

15 (i) "LARA" means the Michigan department of licensing and
16 regulatory affairs.

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

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

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

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

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

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

27 (p) "TB" means tuberculosis.

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

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

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

18 Sec. 206. The director shall take all reasonable steps to
19 ensure businesses in deprived and depressed communities compete for
20 and perform contracts to provide services or supplies, or both.
21 Each director shall strongly encourage firms with which the
22 department contracts to subcontract with certified businesses in
23 depressed and deprived communities for services, supplies, or both.

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

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

7 (a) The dates of each travel occurrence.

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

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

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

1 Sec. 210. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$5,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$6,000,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

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

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

25 Sec. 211. The department shall cooperate with the department
26 of technology, management, and budget to maintain a searchable
27 website accessible by the public at no cost that includes, but is

1 not limited to, all of the following for each department or agency:

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

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

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

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

9 (e) Job specifications and wage rates.

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

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

22 Sec. 214. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2017 is \$11,911,300.00. From this amount, total agency
25 appropriations for pension-related legacy costs are estimated at
26 \$6,604,500.00. Total agency appropriations for retiree health care
27 legacy costs are estimated at \$5,306,800.00.

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

4 Sec. 233. In addition to the metrics required under section
5 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
6 each new program or program enhancement for which funds in excess
7 of \$500,000.00 are appropriated in part 1, the department shall
8 provide not later than November 1, 2016 a list of program-specific
9 metrics intended to measure its performance based on a return on
10 taxpayer investment. The department shall deliver the program-
11 specific metrics to members of the senate and house subcommittees
12 that have subject matter jurisdiction for this budget, fiscal
13 agencies, and the state budget director. The department shall
14 provide an update on its progress in tracking program-specific
15 metrics and the status of program success at an appropriations
16 subcommittee meeting called for by the subcommittee chair.

17 **DEPARTMENTWIDE**

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

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

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

24 (c) Laboratory support testing for testing horses in draft
25 horse pulling contests at county fairs when local jurisdictions
26 request state assistance.

1 (d) Laboratory support analyses to determine foreign
2 substances in horses engaged in racing or pulling contests at
3 tracks.

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

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

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

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

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

27 Sec. 302. (1) The department may contract with or provide

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

10 (2) The department shall provide notice of contracts or grants
11 authorized under this section to the subcommittees and the fiscal
12 agencies not later than 7 days after the department notifies
13 contract or grant recipients.

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

21 **FOOD AND DAIRY**

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

1 the food service program.

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

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

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

20 **ANIMAL INDUSTRY**

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

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

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

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

17 (a) The reason for the indemnification.

18 (b) The amount of the indemnification.

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

20 (3) From the funds appropriated in part 1 for indemnification
21 - livestock depredation, the department shall make indemnification
22 payments for livestock killed by a wolf, coyote, or cougar pursuant
23 to the wildlife depredation indemnification act, 2012 PA 487, MCL
24 285.361 to 285.365.

25 (4) On or before March 1, 2017, the department shall report to
26 the subcommittees and the fiscal agencies on indemnification
27 payments for livestock depredation made in the previous fiscal

1 year. The report shall include all of the following information:

2 (a) The reason for the indemnification.

3 (b) The amount of the indemnification.

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

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

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

14 Sec. 457. (1) On or before December 1, the department shall
15 provide to the subcommittees and the fiscal agencies a copy of the
16 report on bovine TB required under section 14(11) of the animal
17 industry act, MCL 287.714.

18 (2) For each fiscal quarter following the report required in
19 subsection (1), the department shall provide an update to the
20 subcommittees and fiscal agencies. The quarterly update reports
21 shall identify significant impacts to the program, including new
22 incidence of bovine TB in this state, department activity
23 associated with specific new incidence of bovine TB, and any
24 changes in USDA requirements or movement orders.

25 Sec. 458. From the funds appropriated in part 1 for animal
26 industry, the department shall provide inspection and testing of
27 aquaculture facilities and aquaculture researchers as provided

1 under section 7 of the Michigan aquaculture development act, 1996
2 PA 199, MCL 286.877.

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

12 **PESTICIDE AND PLANT PEST MANAGEMENT**

13 Sec. 501. The department shall report on the previous calendar
14 year's activities of the pesticide and plant pest management
15 division. The report shall be transmitted to the subcommittees and
16 the fiscal agencies and posted to the department's website on or
17 before April 1 of each year.

18 **ENVIRONMENTAL STEWARDSHIP**

19 Sec. 601. The funds appropriated in part 1 for environmental
20 stewardship/MAEAP shall be used to support department agriculture
21 pollution prevention programs, including groundwater and freshwater
22 protection programs under part 87 of the Michigan natural resources
23 and environmental protection act, 1994 PA 451, MCL 324.8701 to
24 324.8717, and technical assistance in implementing conservation
25 grants available under the federal farm bill of 2014.

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

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

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

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

21 **LABORATORY PROGRAM**

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

26 Sec. 652. The laboratory program shall increase turnaround

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

10 **AGRICULTURE DEVELOPMENT**

11 Sec. 701. (1) The department shall establish and administer a
12 value-added grant program. The program shall promote the expansion
13 of value-added agricultural production, processing, and access
14 within the state.

15 (2) In addition to the funds appropriated in part 1, the
16 department may receive and expend funds received from outside
17 sources for value-added grants.

18 (3) The director shall appoint a joint evaluation committee
19 comprised of persons with expertise in agriculture, business, and
20 economic development. The joint evaluation committee shall identify
21 criteria for evaluation of grant applications. Criteria shall
22 include the requirement that grant funding provide no more than 90%
23 of proposed project cost and that grantees identify measurable
24 project outcomes. Projects eligible for grant funding shall include
25 projects that assist in making healthy foods available to
26 underserved communities, including projects for the development of

1 food hubs, community-based processing facilities, and the expansion
2 of farm markets. Upon evaluation of applications, the joint
3 evaluation committee shall provide recommendations to the director
4 for final approval of grant awards.

5 (4) The department shall make value-added grant awards from
6 the funds appropriated in part 1 for value-added grants.

7 (5) The department may expend money from the funds
8 appropriated in part 1 for value-added grants for costs associated
9 with administering the program.

10 (6) The unexpended portion of the value-added grant program is
11 considered a work project appropriation in accordance with the
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 (7) The department shall provide notice of the grants awarded
14 under this section to the subcommittees and the fiscal agencies at
15 the same time the department notifies grant recipients.

16 (8) The department shall report on grant-funded projects,
17 including grantee name, project description, grant amount, source
18 of matching funds, completion date, and project outcomes as part of
19 the agriculture development division annual report under section
20 706.

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

26 Sec. 706. The department shall report on the previous calendar
27 year's activities of the agriculture development division. The

1 report shall be transmitted to the subcommittees and the fiscal
2 agencies and posted to the department's website on or before April
3 1 of each year.

4 Sec. 709. (1) Not later than April 1 of the current fiscal
5 year, the department shall provide a report to the subcommittees
6 and the fiscal agencies describing the activities of the grape and
7 wine industry council established under section 303 of the Michigan
8 liquor control code of 1998, 1998 PA 58, MCL 436.1303.

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

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

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

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

18 **FAIRS AND EXPOSITIONS**

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

24 Sec. 802. All appropriations from the agriculture equine
25 industry development fund, except for the Michigan gaming control
26 board's regulatory expenses and the department's expenses to

1 administer horse racing programs and laboratory analysis, shall be
2 reduced proportionately if revenues to the agriculture equine
3 industry development fund decline during the preceding fiscal year
4 to a level lower than the amounts appropriated in part 1.

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

1 take into account that each specific breed may require different
2 regulatory mechanisms.

3 Sec. 805. (1) The department shall establish and administer a
4 county fairs capital improvement grant program. The program shall
5 assist in the promotion of building improvements or other capital
6 improvements at county fairgrounds of the state.

7 (2) The department shall award grants on a competitive basis
8 to county fair organizations from the funds appropriated in part 1
9 for county fairs capital improvements grants. Grantees will be
10 required to provide a dollar-for-dollar cash match with grant
11 awards and identify measurable project outcomes. A county fair
12 organization that received a county fair capital improvement grant
13 in the prior fiscal year shall not receive a grant from the
14 appropriation in section 109.

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

18 (4) The department may expend money from the funds
19 appropriated in part 1 for the county fairs capital improvement
20 grants for administering the program.

21 (5) The unexpended portion of the county fairs capital
22 improvement grant program is considered a work project
23 appropriation in accordance with the management and budget act,
24 1984 PA 431, MCL 18.1101 to 18.1594.

25 (6) The department shall provide a year-end report no later
26 than December 1, 2017 to the subcommittees and the fiscal agencies,
27 including the grantees, award amount, match funding, and project

1 outcomes.

2 ARTICLE V
3 DEPARTMENT OF CORRECTIONS
4 PART 1
5 LINE-ITEM APPROPRIATIONS

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

9 DEPARTMENT OF CORRECTIONS

10 APPROPRIATION SUMMARY

11	Average population.....	44,493	
12	Full-time equated unclassified positions.....	16.0	
13	Full-time equated classified positions.....	14,049.6	
14	GROSS APPROPRIATION.....		\$ 2,029,386,100
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers		0
18	ADJUSTED GROSS APPROPRIATION.....		\$ 2,029,386,100
19	Federal revenues:		
20	Total federal revenues.....		5,523,700
21	Special revenue funds:		
22	Total local revenues.....		8,692,800
23	Total private revenues.....		0
24	Total other state restricted revenues.....		35,711,700
25	State general fund/general purpose.....		\$ 1,979,457,900

1	Sec. 102. EXECUTIVE		
2	Full-time equated unclassified positions.....	16.0	
3	Full-time equated classified positions.....	20.0	
4	Unclassified positions--16.0 FTE positions		\$ 1,793,800
5	Executive direction--20.0 FTE positions		<u>4,208,600</u>
6	GROSS APPROPRIATION.....		\$ 6,002,400
7	Appropriated from:		
8	State general fund/general purpose		\$ 6,002,400
9	Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT		
10	Full-time equated classified positions.....	343.4	
11	Prisoner reentry local service providers		\$ 13,208,600
12	Prisoner reentry MDOC programs		10,624,100
13	Prisoner reentry federal grants		750,000
14	Reentry services--70.0 FTE positions		21,755,100
15	Education program--273.4 FTE positions		38,055,500
16	Community corrections comprehensive plans and services		12,158,000
17	Felony drunk driver jail reduction and community		
18	treatment program		1,440,100
19	Residential services.....		15,475,500
20	Public safety initiative.....		4,500,000
21	Goodwill flip the script.....		<u>1,500,000</u>
22	GROSS APPROPRIATION.....		\$ 119,466,900
23	Appropriated from:		
24	Federal revenues:		
25	DOJ, prisoner reintegration.....		250,000
26	DOJ, second chance act reentry initiative		500,000
27	Federal education funding.....		1,757,300

1	Special revenue funds:	
2	Program and special equipment fund.....	5,213,200
3	State general fund/general purpose.....	\$ 111,746,400
4	Sec. 104. BUDGET AND OPERATIONS ADMINISTRATION	
5	Full-time equated classified positions.....	247.0
6	Budget and operations administration--185.0 FTE	
7	positions	\$ 24,696,700
8	Prison industries operations--62.0 FTE positions	9,837,400
9	New custody staff training.....	9,216,500
10	Compensatory buyout and union leave bank.....	100
11	Worker's compensation.....	14,171,300
12	Rent.....	2,349,100
13	Equipment and special maintenance.....	1,559,700
14	Administrative hearings officers.....	3,407,100
15	Judicial data warehouse user fees.....	50,000
16	Sheriffs' coordinating and training office.....	100,000
17	Prosecutorial and detainer expenses.....	5,001,000
18	County jail reimbursement program.....	<u>13,597,100</u>
19	GROSS APPROPRIATION.....	\$ 83,986,000
20	Appropriated from:	
21	Federal revenues:	
22	DOJ, prison rape elimination act grant.....	674,700
23	Special revenue funds:	
24	Jail reimbursement program fund.....	5,900,000
25	Program and special equipment fund.....	100
26	Local corrections officer training fund.....	100,000
27	Correctional industries revolving fund.....	10,451,800

1	State general fund/general purpose	\$	66,859,400
2	Sec. 105. FIELD OPERATIONS ADMINISTRATION		
3	Full-time equated classified positions.....		2,194.6
4	Field operations--1,881.9 FTE positions	\$	213,669,400
5	Detroit Detention Center--63.1 FTE positions		8,487,400
6	Detroit Reentry Center--216.6 FTE positions		27,073,900
7	Parole board operations--33.0 FTE positions		3,812,000
8	Parole/probation services		940,000
9	Parole sanction certainty pilot program		<u>500,000</u>
10	GROSS APPROPRIATION	\$	254,482,700
11	Appropriated from:		
12	Special revenue funds:		
13	Local - community tether program reimbursement		205,400
14	Local revenues		8,487,400
15	Reentry center offender reimbursements		24,300
16	Parole and probation oversight fees		4,428,600
17	Parole and probation oversight fees set-aside		940,000
18	Tether program participant contributions		2,480,900
19	State general fund/general purpose	\$	237,916,100
20	Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION		
21	Full-time equated classified positions.....		319.0
22	Correctional facilities administration--21.0 FTE		
23	positions	\$	5,046,600
24	Prison food service		54,455,900
25	Transportation--211.0 FTE positions		25,113,200
26	Central records--52.0 FTE positions		6,015,600
27	Inmate legal services		790,900

1	Housing inmates in federal institutions.....	611,000
2	Prison store operations--35.0 FTE positions.....	3,372,600
3	Leased beds and alternatives to leased beds.....	100
4	Public works programs.....	1,000,000
5	Cost-effective housing initiative.....	100
6	Inmate housing fund.....	<u>100</u>
7	GROSS APPROPRIATION.....	\$ 96,406,100
8	Appropriated from:	
9	Federal revenues:	
10	DOJ-BOP, federal prisoner reimbursement.....	411,000
11	SSA-SSI, incentive payment.....	272,000
12	Special revenue funds:	
13	Correctional industries revolving fund.....	569,000
14	Public works user fees.....	1,000,000
15	Resident stores.....	3,372,600
16	State general fund/general purpose.....	\$ 90,781,500
17	Sec. 107. HEALTH CARE	
18	Full-time equated classified positions.....	1,491.9
19	Clinical and mental health services and support--	
20	1,471.9 FTE positions.....	\$ 227,759,700
21	Prisoner health care services.....	71,380,400
22	Vaccination program.....	691,200
23	Interdepartmental grant to health and human services,	
24	eligibility specialists.....	100,000
25	Substance abuse testing and treatment services--8.0	
26	FTE positions.....	22,340,600
27	Healthy Michigan plan administration--12.0 FTE	

1	positions		<u>1,100,700</u>
2	GROSS APPROPRIATION.....	\$	323,372,600
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues and reimbursements.....		373,700
6	DOJ, Office of Justice Programs, RSAT.....		250,200
7	Special revenue funds:		
8	Prisoner health care copayments.....		257,200
9	State general fund/general purpose.....	\$	322,491,500
10	Sec. 108. CORRECTIONAL FACILITIES		
11	Average population		44,493
12	Full-time equated classified positions.....		9,433.7
13	Alger Correctional Facility - Munising--260.0 FTE		
14	positions	\$	30,602,300
15	Baraga Correctional Facility - Baraga--294.8 FTE		
16	positions		35,306,500
17	Bellamy Creek Correctional Facility - Ionia--390.2 FTE		
18	positions		43,850,900
19	Earnest C. Brooks Correctional Facility - Muskegon--		
20	440.9 FTE positions		50,797,100
21	Carson City Correctional Facility - Carson City--425.4		
22	FTE positions		46,557,100
23	Central Michigan Correctional Facility - St. Louis--		
24	391.6 FTE positions		46,105,600
25	Chippewa Correctional Facility - Kincheloe--435.1 FTE		
26	positions		50,450,800
27	Cooper Street Correctional Facility - Jackson--263.1		

1	FTE positions	29,792,800
2	G. Robert Cotton Correctional Facility - Jackson--	
3	392.3 FTE positions	44,232,800
4	Charles E. Egeler Correctional Facility - Jackson--	
5	374.6 FTE positions	43,525,500
6	Richard A. Handlon Correctional Facility - Ionia--	
7	252.7 FTE positions	29,843,400
8	Gus Harrison Correctional Facility - Adrian--442.6 FTE	
9	positions	49,475,100
10	Ionia Correctional Facility - Ionia--286.3 FTE	
11	positions	33,696,600
12	Kinross Correctional Facility - Kincheloe--268.1 FTE	
13	positions	33,170,000
14	Lakeland Correctional Facility - Coldwater--279.4 FTE	
15	positions	33,339,500
16	Macomb Correctional Facility - New Haven--294.8 FTE	
17	positions	34,675,200
18	Marquette Branch Prison - Marquette--321.7 FTE	
19	positions	38,109,600
20	Michigan Reformatory - Ionia--311.7 FTE positions	35,442,700
21	Muskegon Correctional Facility - Muskegon--205.0 FTE	
22	positions	25,467,100
23	Newberry Correctional Facility - Newberry--200.1 FTE	
24	positions	24,402,400
25	Oaks Correctional Facility - Eastlake--290.4 FTE	
26	positions	34,091,800
27	Ojibway Correctional Facility - Marenisco--203.1 FTE	

1	positions	23,545,600
2	Parnall Correctional Facility - Jackson--260.0 FTE	
3	positions	28,461,800
4	Pugsley Correctional Facility - Kingsley--209.9 FTE	
5	positions	24,996,100
6	Saginaw Correctional Facility - Freeland--274.9 FTE	
7	positions	32,952,700
8	Special Alternative Incarceration Program - Cassidy	
9	Lake--119.0 FTE positions	13,733,700
10	St. Louis Correctional Facility - St. Louis--303.6 FTE	
11	positions	36,687,100
12	Thumb Correctional Facility - Lapeer--283.6 FTE	
13	positions	33,052,400
14	Womens Huron Valley Correctional Complex - Ypsilanti--	
15	501.9 FTE positions	59,117,400
16	Woodland Correctional Facility - Whitmore Lake--284.9	
17	FTE positions	33,279,200
18	Northern region administration and support--48.0 FTE	
19	positions	4,509,900
20	Southern region administration and support--124.0 FTE	
21	positions	<u>24,098,000</u>
22	GROSS APPROPRIATION.....	\$ 1,107,368,700
23	Appropriated from:	
24	Federal revenues:	
25	DOJ, state criminal alien assistance program.....	1,034,800
26	Special revenue funds:	
27	State restricted revenues and reimbursements	102,100

1	State general fund/general purpose	\$ 1,106,231,800
2	Sec. 109. INFORMATION TECHNOLOGY	
3	Information technology services and projects	\$ <u>28,813,300</u>
4	GROSS APPROPRIATION	\$ 28,813,300
5	Appropriated from:	
6	Special revenue funds:	
7	Correctional industries revolving fund	177,100
8	Parole and probation oversight fees set-aside	694,800
9	State general fund/general purpose	\$ 27,941,400
10	Sec. 110. ONE-TIME APPROPRIATIONS	
11	New custody training staff	\$ 8,506,100
12	Ballistic vests	<u>981,300</u>
13	GROSS APPROPRIATION	\$ 9,487,400
14	Appropriated from:	
15	State general fund/general purpose	\$ 9,487,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

20 Sec. 201. Pursuant to section 30 of article IX of the state
21 constitution of 1963, total state spending from state resources
22 under part 1 for fiscal year 2016-2017 is \$2,015,169,600.00 and
23 state spending from state resources to be paid to local units of
24 government for fiscal year 2016-2017 is \$110,420,700.00. The
25 itemized statement below identifies appropriations from which

1 spending to local units of government will occur:

2 DEPARTMENT OF CORRECTIONS

3 Field operations - assumption of county

4 probation staff \$ 61,749,900

5 Community corrections comprehensive plans

6 and services 12,158,000

7 Reentry services - intensive detention reentry program 1,500,000

8 Residential services..... 15,475,500

9 County jail reimbursement program..... 13,597,100

10 Felony drunk driver jail reduction and

11 community treatment program 1,440,100

12 Leased beds and alternatives to leased beds 100

13 Public safety initiative..... 4,500,000

14 TOTAL..... \$ 110,420,700

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

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

19 (a) "Administrative segregation" means confinement for
 20 maintenance of order or discipline to a cell or room apart from
 21 accommodations provided for inmates who are participating in
 22 programs of the facility.

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

26 (i) Correctional facilities.

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

- 1 (iii) Clinical and mental health services and support.
2 (iv) Prisoner health care services.
3 (v) Vaccination program.
4 (vi) Prison food service.
5 (vii) Transportation.
6 (viii) Inmate legal services.
7 (ix) Correctional facilities administration.
8 (x) Central records.
9 (xi) Worker's compensation.
10 (xii) New custody staff training.
11 (xiii) Prison store operations.
12 (xiv) Education program.
- 13 (c) "Department" or "MDOC" means the Michigan department of
14 corrections.
- 15 (d) "DOJ" means the United States Department of Justice.
16 (e) "DOJ-BOP" means the DOJ Bureau of Prisons.
17 (f) "EPIC program" means the department's effective process
18 improvement and communications program.
- 19 (g) "Evidence-based practices" or "EBP" means a decision-
20 making process that integrates the best available research,
21 clinician expertise, and client characteristics.
- 22 (h) "FTE" means full-time equated.
23 (i) "Goal" means the intended or projected result of a
24 comprehensive corrections plan or community corrections program to
25 reduce repeat offending, criminogenic and high-risk behaviors,
26 prison commitment rates, to reduce the length of stay in a jail, or
27 to improve the utilization of a jail.

1 (j) "Jail" means a facility operated by a local unit of
2 government for the physical detention and correction of persons
3 charged with or convicted of criminal offenses.

4 (k) "MDHHS" means the Michigan department of health and human
5 services.

6 (l) "MDSP" means the Michigan department of state police.

7 (m) "Medicaid benefit" means a benefit paid or payable under a
8 program for medical assistance under the social welfare act, 1939
9 PA 280, MCL 400.1 to 400.119b.

10 (n) "Objective risk and needs assessment" means an evaluation
11 of an offender's criminal history; the offender's noncriminal
12 history; and any other factors relevant to the risk the offender
13 would present to the public safety, including, but not limited to,
14 having demonstrated a pattern of violent behavior, and a criminal
15 record that indicates a pattern of violent offenses.

16 (o) "OCC" means office of community corrections.

17 (p) "Offender eligibility criteria" means particular criminal
18 violations, state felony sentencing guidelines descriptors, and
19 offender characteristics developed by advisory boards and approved
20 by local units of government that identify the offenders suitable
21 for community corrections programs funded through the office of
22 community corrections.

23 (q) "Offender success" means that an offender has, with the
24 support of the community, intervention of the field agent, and
25 benefit of any participation in programs and treatment, made an
26 adjustment while at liberty in the community such that he or she
27 has not been sentenced to or returned to prison for the conviction

1 of a new crime or the revocation of probation or parole.

2 (r) "Offender target population" means felons or misdemeanants
3 who would likely be sentenced to imprisonment in a state
4 correctional facility or jail, who would not likely increase the
5 risk to the public safety based on an objective risk and needs
6 assessment that indicates that the offender can be safely treated
7 and supervised in the community.

8 (s) "Offender who would likely be sentenced to imprisonment"
9 means either of the following:

10 (i) A felon or misdemeanor who receives a sentencing
11 disposition that appears to be in place of incarceration in a state
12 correctional facility or jail, according to historical local
13 sentencing patterns.

14 (ii) A currently incarcerated felon or misdemeanor who is
15 granted early release from incarceration to a community corrections
16 program or who is granted early release from incarceration as a
17 result of a community corrections program.

18 (t) "Programmatic success" means that the department program
19 or initiative has ensured that the offender has accomplished all of
20 the following:

21 (i) Obtained employment, has enrolled or participated in a
22 program of education or job training, or has investigated all bona
23 fide employment opportunities.

24 (ii) Obtained housing.

25 (iii) Obtained a state identification card.

26 (u) "Recidivism" means the return of an individual to prison
27 within 3 years after he or she is released either with a new

1 sentence to prison or as a technical violator of parole conditions.

2 (v) "RSAT" means residential substance abuse treatment.

3 (w) "Serious emotional disturbance" means that term as defined
4 in section 100d(2) of the mental health code, 1974 PA 328, MCL
5 330.1100d.

6 (x) "Serious mental illness" means that term as defined in
7 section 100d(3) of the mental health code, 1974 PA 328, MCL
8 330.1100d.

9 (y) "SSA" means the United States Social Security
10 Administration.

11 (z) "SSA-SSI" means SSA supplemental security income.

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

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

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

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

3 Sec. 211. The department may charge fees and collect revenues
4 in excess of appropriations in part 1 not to exceed the cost of
5 offender services and programming, employee meals, parolee loans,
6 academic/vocational services, custody escorts, compassionate
7 visits, union steward activities, and public works programs and
8 services provided to local units of government or private nonprofit
9 organizations. The revenues and fees collected are appropriated for
10 all expenses associated with these services and activities.

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

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

25 (a) The dates of each travel occurrence.

26 (b) The total transportation and related costs of each travel
27 occurrence, including the proportion funded with state general

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (e) Job specifications and wage rates.

1 Sec. 223. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$10,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

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

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

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

25 Sec. 229. Within 14 days after the release of the executive
26 budget recommendation, the department shall cooperate with the
27 state budget office to provide the chairpersons of the senate and

1 house appropriations committees, the chairpersons of the senate and
2 house appropriations subcommittees on corrections, and the senate
3 and house fiscal agencies with an annual report on estimated state
4 restricted fund balances, state restricted fund projected revenues,
5 and state restricted fund expenditures for the fiscal years ending
6 September 30, 2016 and September 30, 2017.

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

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

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

22 Sec. 247. In addition to the metrics required under section
23 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
24 each new program or program enhancement for which funds in excess
25 of \$500,000.00 are appropriated in part 1, the department shall
26 provide not later than November 1 a list of program-specific
27 metrics intended to measure its performance based on a return on

1 taxpayer investment. The department shall deliver the program-
2 specific metrics to members of the senate and house appropriations
3 subcommittees on corrections, the senate and house fiscal agencies,
4 and the state budget director. The department shall provide an
5 update on its progress in tracking program-specific metrics and the
6 status of program success at an appropriations subcommittee meeting
7 called for by the subcommittee chair.

8 **EXECUTIVE**

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

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

1 for implementation from the staff savings initiative and EPIC
2 programs.

3 **PRISONER REENTRY AND COMMUNITY SUPPORT**

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

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

18 (a) Details on prior-year expenditures, including amounts
19 spent on each project funded, itemized by service provided and
20 service provider.

21 (b) Allocations and planned expenditures for each project
22 funded and for each project to be funded, itemized by service to be
23 provided and service provider. The department shall provide an
24 amended report quarterly, if any revisions to allocations or
25 planned expenditures occurred during that quarter.

26 Sec. 405. By March 1, the department shall report to the

1 senate and house appropriations subcommittees on corrections, the
2 legislative corrections ombudsman, the senate and house fiscal
3 agencies, and the state budget director on substance abuse testing
4 and treatment program objectives, outcome measures, and results,
5 including program impact on offender success and programmatic
6 success.

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

12 Sec. 408. The department shall measure the recidivism rates of
13 offenders.

14 Sec. 410. (1) The funds included in part 1 for community
15 corrections comprehensive plans and services are to encourage the
16 development through technical assistance grants, implementation,
17 and operation of community corrections programs that enhance
18 offender success and that also may serve as an alternative to
19 incarceration in a state facility or jail. The comprehensive
20 corrections plans shall include an explanation of how the public
21 safety will be maintained, the goals for the local jurisdiction,
22 offender target populations intended to be affected, offender
23 eligibility criteria for purposes outlined in the plan, and how the
24 plans will meet the following objectives, consistent with section
25 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

1 (b) Improve the appropriate utilization of jail facilities,
2 the first priority of which is to open jail beds intended to house
3 otherwise prison-bound felons, and the second priority being to
4 appropriately utilize jail beds so that jail crowding does not
5 occur.

6 (c) Open jail beds through the increase of pretrial release
7 options.

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

9 (e) Reduce the admission or readmission to prison of
10 offenders, including probation violators and parole violators, for
11 substance abuse violations.

12 (f) Contribute to offender success.

13 (2) The award of community corrections comprehensive plans and
14 residential services funds shall be based on criteria that include,
15 but are not limited to, the prison commitment rate by category of
16 offenders, trends in prison commitment rates and jail utilization,
17 historical trends in community corrections program capacity and
18 program utilization, and the projected impact and outcome of annual
19 policies and procedures of programs on offender success, prison
20 commitment rates, and jail utilization.

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

26 Sec. 411. The comprehensive corrections plans shall also
27 include, where appropriate, descriptive information on the full

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

21 Sec. 412. (1) As part of the March biannual report specified
22 in section 12(2) of the community corrections act, 1988 PA 511, MCL
23 791.412, that requires an analysis of the impact of that act on
24 prison admissions and jail utilization, the department shall submit
25 to the senate and house appropriations subcommittees on
26 corrections, the legislative corrections ombudsman, the senate and
27 house fiscal agencies, and the state budget director the following

1 information for each county and counties consolidated for
2 comprehensive corrections plans:

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

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

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

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

15 (e) Offender disposition data by sentencing guideline range,
16 by disposition type, by prior record variable score, by number and
17 percent statewide and by county, current year, and comparisons to
18 the previous 3 years.

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

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

24 Sec. 413. (1) The department shall identify and coordinate
25 information regarding the availability of and the demand for
26 community corrections programs, jail-based community corrections
27 programs, jail-based probation violation sanctions, and all state-

1 required jail data.

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

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

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

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

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

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

25 (c) The felon was sentenced to jail for a felony committed
26 while he or she was on parole and under the jurisdiction of the
27 parole board and for which the sentencing guidelines recommended

1 range for the minimum sentence has an upper limit of more than 18
2 months.

3 (3) State reimbursement under this subsection shall be \$60.00
4 per diem per diverted offender for offenders with a presumptive
5 prison guideline score, \$50.00 per diem per diverted offender for
6 offenders with a straddle cell guideline for a group 1 crime, and
7 \$35.00 per diem per diverted offender for offenders with a straddle
8 cell guideline for a group 2 crime. Reimbursements shall be paid
9 for sentences up to a 1-year total.

10 (4) As used in this subsection:

11 (a) "Group 1 crime" means a crime in 1 or more of the
12 following offense categories: arson, assault, assaultive other,
13 burglary, criminal sexual conduct, homicide or resulting in death,
14 other sex offenses, robbery, and weapon possession as determined by
15 the department of corrections based on specific crimes for which
16 counties received reimbursement under the county jail reimbursement
17 program in fiscal year 2007 and fiscal year 2008, and listed in the
18 county jail reimbursement program document titled "FY 2007 and FY
19 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

24 (c) "In the custody of the sheriff" means that the convicted
25 felon has been sentenced to the county jail and is either housed in
26 the county jail or has been released from jail and is being
27 monitored through the use of the sheriff's electronic monitoring

1 system.

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

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

16 Sec. 416. Allowable uses of felony drunk driver jail reduction
17 and community treatment program funding shall include reimbursing
18 counties for transportation, treatment costs, and housing felony
19 drunk drivers during a period of assessment for treatment and case
20 planning. Reimbursements for housing during the assessment process
21 shall be at the rate of \$43.50 per day per offender, up to a
22 maximum of 5 days per offender.

23 Sec. 417. (1) By March 1, the department shall report to the
24 members of the senate and house appropriations subcommittees on
25 corrections, the legislative corrections ombudsman, the senate and
26 house fiscal agencies, and the state budget director on each of the
27 following programs from the previous fiscal year:

1 (a) The county jail reimbursement program.

2 (b) The felony drunk driver jail reduction and community
3 treatment program.

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

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

8 (a) Program objectives and outcome measures, including, but
9 not limited to, the number of offenders who successfully completed
10 the program, and the number of offenders who successfully remained
11 in the community during the 3 years following termination from the
12 program.

13 (b) Expenditures by location.

14 (c) The impact on jail utilization.

15 (d) The impact on prison admissions.

16 (e) Other information relevant to an evaluation of the
17 program.

18 Sec. 418. (1) The department shall collaborate with the state
19 court administrative office on facilitating changes to Michigan
20 court rules that would require the court to collect at the time of
21 sentencing the state operator's license, state identification card,
22 or other documentation used to establish the identity of the
23 individual to be admitted to the department. The department shall
24 maintain those documents in the prisoner's personal file.

25 (2) The department shall cooperate with MDHHS to create and
26 maintain a process by which prisoners can obtain their Michigan
27 birth certificates if necessary. The department shall describe a

1 process for obtaining birth certificates from other states, and in
2 situations where the prisoner's effort fails, the department shall
3 assist in obtaining the birth certificate.

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

8 Sec. 419. (1) The department shall provide weekly electronic
9 mail reports to the senate and house appropriations subcommittees
10 on corrections, the legislative corrections ombudsman, the senate
11 and house fiscal agencies, and the state budget director on
12 prisoner populations by security levels by facility, prison
13 facility capacities, and parolee and probationer populations.

14 (2) The department shall provide monthly electronic mail
15 reports to the senate and house appropriations subcommittees on
16 corrections, the legislative corrections ombudsman, the senate and
17 house fiscal agencies, and the state budget director. The reports
18 shall include information on end-of-month prisoner populations in
19 county jails, the net operating capacity according to the most
20 recent certification report, identified by date, and end-of-month
21 data, year-to-date data, and comparisons to the prior year for the
22 following:

23 (a) Community residential program populations, separated by
24 centers and electronic monitoring.

25 (b) Parole populations.

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

1 (d) Prison and camp populations, with separate identification
2 of the number in special alternative incarceration and the number
3 of lifers.

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

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

7 (g) Prisoner exits, identifying transfers to community
8 placement, paroles from prisons and camps, paroles from community
9 placement, total movements to parole, prison intake, prisoner
10 deaths, prisoners discharging on the maximum sentence, and other
11 prisoner exits.

12 (h) Prison intake and returns, including probation violators,
13 new court commitments, violators with new sentences, escaper new
14 sentences, total prison intake, returns from court with additional
15 sentences, community placement returns, technical parole violator
16 returns, and total returns to prison and camp.

17 Sec. 421. (1) Funds appropriated in part 1 for the parole
18 sanction certainty pilot program shall be distributed to an
19 American Correctional Association accredited rehabilitation
20 organization operating in any of the following counties: Berrien,
21 Calhoun, Kalamazoo, Macomb, Muskegon, Oakland, and Wayne for
22 operations and administration of the pilot program. The pilot
23 program may be utilized as a condition of parole for technical
24 parole violators to ensure public safety and justice through a
25 program based on evidence-based tactics and programs.

26 (2) The program or programs selected shall report by March 30
27 to the department, the senate and house appropriations

1 subcommittees on corrections, the senate and house fiscal agencies,
2 the legislative corrections ombudsman, and the state budget
3 director. The report shall include program performance
4 measurements, the number of individuals who participate in the
5 pilot program, the number of individuals who return to prison after
6 participating, and outcomes of participants who complete the
7 program.

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

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

1 obtaining insurance to cover subsequent injections.

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

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

16 Sec. 434. The department shall explore opportunities to
17 collaborate with Michigan colleges and universities on establishing
18 programs that will employ parolees in agricultural settings.

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

27 (a) Alternative sentencing programs in partnership with a

1 local district or circuit court.

2 (b) Educational recovery for special adult populations with
3 high rates of illiteracy.

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

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

12 BUDGET AND OPERATIONS ADMINISTRATION

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

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

1 791.531 to 791.546.

2 Sec. 508. The department shall issue a report for all
3 correctional facilities to the senate and house appropriations
4 subcommittees on corrections, the senate and house fiscal agencies,
5 and the legislative corrections ombudsman by October 1 setting
6 forth the following information for each facility: its name, street
7 address, and date of construction; its current maintenance costs;
8 any maintenance planned; its current utility costs; its expected
9 future capital improvement costs; and its expected future useful
10 life.

11 **FIELD OPERATIONS ADMINISTRATION**

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

18 (2) Program participant contributions and local program
19 reimbursement for the curfew monitoring program appropriated in
20 part 1 are related to program expenditures and may be used to
21 offset expenditures for this purpose.

22 (3) Included in the appropriation in part 1 is adequate
23 funding to implement the curfew monitoring program to be
24 administered by the department. The curfew monitoring program is
25 intended to provide sentencing judges and county sheriffs in
26 coordination with local community corrections advisory boards

1 access to the state's curfew monitoring program to reduce prison
2 admissions and improve local jail utilization. The department shall
3 determine the appropriate distribution of the curfew monitor units
4 throughout the state based upon locally developed comprehensive
5 corrections plans under the community corrections act, 1988 PA 511,
6 MCL 791.401 to 791.414.

7 (4) For a fee determined by the department, the department
8 shall provide counties with the curfew monitor equipment,
9 replacement parts, administrative oversight of the equipment's
10 operation, notification of violators, and periodic reports
11 regarding county program participants. Counties are responsible for
12 curfew monitor equipment installation and service. For an
13 additional fee as determined by the department, the department
14 shall provide staff to install and service the equipment. Counties
15 are responsible for the coordination and apprehension of program
16 violators.

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

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

1 programs, local level programs, and programs available through
2 private agencies that may be used as prison alternatives for these
3 offenders.

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

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

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

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

1 certificate while in prison.

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

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

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

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

22 Sec. 616. The parole board shall review its policies related
23 to the review and parole of those offenders serving a parolable
24 life sentence with consideration given to those who do not pose an
25 ongoing risk to society.

26 **HEALTH CARE**

1 Sec. 802. As a condition of expenditure of the funds
2 appropriated in part 1, the department shall provide the senate and
3 house of representatives appropriations subcommittees on
4 corrections, the legislative corrections ombudsman, the senate and
5 house fiscal agencies, and the state budget director with quarterly
6 reports on physical and mental health care detailing quarterly and
7 fiscal year-to-date expenditures itemized by vendor, allocations,
8 status of payments from contractors to vendors, and projected year-
9 end expenditures from accounts for prisoner health care, mental
10 health care, pharmaceutical services, and durable medical
11 equipment.

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

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

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

24 Sec. 804. The department shall report quarterly to the senate
25 and house appropriations subcommittees on corrections, the
26 legislative corrections ombudsman, the senate and house fiscal
27 agencies, and the state budget director on prisoner health care

1 utilization. The report shall include the number of inpatient
2 hospital days, outpatient visits, emergency room visits, and
3 prisoners receiving off-site inpatient medical care in the previous
4 quarter, by facility.

5 Sec. 806. From the funds appropriated in part 1 for substance
6 abuse testing and treatment services, the department shall
7 implement the living in recovery program serving at least 250
8 offenders in the current fiscal year. The purpose of this new
9 program is to cost-effectively target relapse prevention and help
10 develop sobriety support systems to deter further criminal behavior
11 and recidivism. The department shall track the outcome of the
12 program to determine the number of participants that succeeded, the
13 number that failed and were returned to prison, and the number that
14 failed, but were not returned to prison.

15 Sec. 807. From the funds appropriated in part 1 for clinical
16 and mental health services and support, the department shall expand
17 its mental health treatment and sex offender treatment programs.
18 The purpose of this enhancement is to address increased caseloads,
19 reduce the number of prisoners on the waiting list of prisoners who
20 are past their earliest release date, and reduce the percentage of
21 prisoners readmitted to mental health programs at their previous
22 level of care.

23 Sec. 812. (1) The department shall provide the department of
24 health and human services with a monthly list of prisoners newly
25 committed to the department of corrections. The department and the
26 department of health and human services shall enter into an
27 interagency agreement under which the department of health and

1 human services provides the department of corrections with monthly
2 lists of newly committed prisoners who are eligible for Medicaid
3 benefits in order to maintain the process by which Medicaid
4 benefits are suspended rather than terminated. The department shall
5 assist prisoners who may be eligible for Medicaid benefits after
6 release from prison with the Medicaid enrollment process prior to
7 release from prison.

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

13 CORRECTIONAL FACILITIES ADMINISTRATION

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

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

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

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

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

17 (b) The number of prisoners enrolled in each program, the
18 number of prisoners completing each program, the number of
19 prisoners transferred to another facility while enrolled in a
20 program and the reason for transfer, the number of prisoners
21 enrolled who repeat the program, and the number of prisoners on
22 waiting lists for each program, all itemized by facility.

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

26 (d) The number of prisoners paroled without a high school
27 diploma and the number of prisoners paroled without a high school

1 equivalency.

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

5 (f) An identification of program outcomes for each academic
6 and vocational program.

7 (g) An explanation of the department's plans for academic and
8 vocational programs, including plans to contract with intermediate
9 school districts for high school equivalency and high school
10 diploma programs.

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

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

1 providing prisoners with a high school diploma in lieu of a high
2 school equivalency.

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

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

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

22 Sec. 913. (1) From the funds appropriated in part 1, the
23 department shall focus on providing required programming to
24 prisoners who are past their earliest release date because of not
25 having received the required programming. Programming includes, but
26 is not limited to, violence prevention programming, assaultive
27 offender programming, sexual offender programming, substance abuse

1 treatment programming, thinking for a change programming, and any
2 other programming that is required as a condition of parole.

3 (2) Any prisoner required to complete programming shall be
4 transferred to a facility where that program is available in order
5 to accomplish timely completion of that program prior to the
6 expiration of his or her minimum sentence and eligibility for
7 parole. Nothing in this section should be deemed to make parole
8 denial appealable in court.

9 (3) The department shall submit a quarterly report to the
10 members of the senate and house appropriations subcommittees on
11 corrections, the senate and house fiscal agencies, the state budget
12 director, and the legislative corrections ombudsman detailing
13 enrollment in sex offender programming, assaultive offender
14 programming, violent offender programming, and thinking for change.
15 At a minimum, the report shall include the following:

16 (a) A full accounting of the number of individuals who are
17 required to complete the programming, but have not yet done so.

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

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

22 Sec. 924. The department shall evaluate all prisoners at
23 intake for substance abuse disorders, serious developmental
24 disorders, serious mental illness, and other mental health
25 disorders. Prisoners with serious mental illness or serious
26 developmental disorders shall not be removed from the general
27 population as a punitive response to behavior caused by their

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

11 Sec. 925. By March 1, the department shall report to the
12 senate and house appropriations subcommittees on corrections, the
13 senate and house fiscal agencies, the legislative corrections
14 ombudsman, and the state budget director on the annual number of
15 prisoners in administrative segregation between October 1, 2015 and
16 September 30, 2016, and the annual number of prisoners in
17 administrative segregation between October 1, 2015 and September
18 30, 2016 who at any time during the current or prior prison term
19 were diagnosed with serious mental illness or have a developmental
20 disorder and the number of days each of the prisoners with serious
21 mental illness or a developmental disorder have been confined to
22 administrative segregation.

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

25 (a) Ensure that any inmate care and control staff in contact
26 with prisoners less than 18 years of age are adequately trained
27 with regard to the developmental and mental health needs of

1 prisoners less than 18 years of age. By April 1, the department
2 shall report to the senate and house appropriations subcommittees
3 on corrections, the senate and house fiscal agencies, and the state
4 budget director on the training curriculum used and the number and
5 types of staff receiving annual training under that curriculum.

6 (b) Provide appropriate placement for prisoners less than 18
7 years of age who have serious mental illness, serious emotional
8 disturbance, or a serious developmental disorder and need to be
9 housed separately from the general population. Prisoners less than
10 18 years of age who have serious mental illness, serious emotional
11 disturbance, or a serious developmental disorder shall not be
12 removed from an existing placement as a punitive response to
13 behavior caused by their serious mental illness, serious emotional
14 disturbance, or a serious developmental disorder. Due to persistent
15 high violence risk or severe disruptive behavior that is
16 unresponsive to treatment, prisoners less than 18 years of age with
17 serious emotional disturbance, serious mental illness, or serious
18 developmental disorders may be placed in secure residential housing
19 programs that will facilitate access to institutional programming
20 and ongoing mental health services. A prisoner less than 18 years
21 of age with serious mental illness, serious emotional disturbance,
22 or a serious developmental disorder who is confined in these
23 specialized housing programs shall be evaluated or monitored by a
24 medical professional at a frequency of not less than every 12
25 hours.

26 (c) Implement a specialized reentry program that recognizes
27 the needs of prisoners less than 18 years old for supervised

1 reentry.

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

11 INFORMATION TECHNOLOGY

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

19 MISCELLANEOUS

20 Sec. 1009. The department shall make an information packet for
21 the families of incoming prisoners available on the department's
22 website. The information packet shall be updated by February 1 of
23 each year. The packet shall provide information on topics
24 including, but not limited to: how to put money into prisoner
25 accounts, how to make phone calls or create Jpay email accounts,

1	Full-time equated unclassified positions.....	6.0		
2	Full-time equated classified positions.....	596.5		
3	GROSS APPROPRIATION.....		\$	317,049,900
4	Interdepartmental grant revenues:			
5	Total interdepartmental grants and intradepartmental			
6	transfers			0
7	ADJUSTED GROSS APPROPRIATION.....		\$	317,049,900
8	Federal revenues:			
9	Total federal revenues.....			225,356,000
10	Special revenue funds:			
11	Total local revenues.....			5,557,200
12	Total private revenues.....			2,034,200
13	Total other state restricted revenues.....			7,780,700
14	State general fund/general purpose.....		\$	76,321,800
15	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE			
16	SUPERINTENDENT			
17	Full-time equated unclassified positions.....	6.0		
18	Full-time equated classified positions.....	10.0		
19	Unclassified positions--6.0 FTE positions.....		\$	827,200
20	State board/superintendent operations--10.0 FTE			
21	positions			1,853,700
22	Education commission of the states.....			<u>120,800</u>
23	GROSS APPROPRIATION.....		\$	2,801,700
24	Appropriated from:			
25	Federal revenues:			
26	Federal revenues.....			227,000
27	Special revenue funds:			

1	Private foundations.....		28,100
2	Certification fees.....		771,400
3	State general fund/general purpose.....	\$	1,775,200
4	Sec. 103. CENTRAL SUPPORT		
5	Full-time equated classified positions..... 23.6		
6	Central support operations--23.6 FTE positions.....	\$	3,686,700
7	Worker's compensation.....		24,300
8	Building occupancy charges - property management		
9	services		3,196,200
10	Training and orientation workshops.....		150,000
11	Terminal leave payments.....		353,300
12	Federal and private grants.....		<u>3,000,000</u>
13	GROSS APPROPRIATION.....	\$	10,410,500
14	Appropriated from:		
15	Federal revenues:		
16	Federal revenues.....		3,690,100
17	Federal indirect funds.....		2,430,700
18	Special revenue funds:		
19	Certification fees.....		399,300
20	Teacher testing fees.....		4,000
21	Training and orientation workshop fees.....		150,000
22	Private foundations.....		1,000,000
23	State general fund/general purpose.....	\$	2,736,400
24	Sec. 104. INFORMATION TECHNOLOGY SERVICES		
25	Information technology operations.....	\$	<u>4,192,600</u>
26	GROSS APPROPRIATION.....	\$	4,192,600
27	Appropriated from:		

1	Federal revenues:	
2	Federal revenues.....	616,900
3	Federal indirect funds.....	1,824,300
4	Special revenue funds:	
5	Certification fees.....	397,500
6	State general fund/general purpose.....	\$ 1,353,900
7	Sec. 105. SPECIAL EDUCATION SERVICES	
8	Full-time equated classified positions.....	47.0
9	Special education operations--47.0 FTE positions.....	\$ <u>9,320,500</u>
10	GROSS APPROPRIATION.....	\$ 9,320,500
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues.....	8,544,000
14	Special revenue funds:	
15	Private foundations.....	110,100
16	Certification fees.....	44,700
17	State general fund/general purpose.....	\$ 621,700
18	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
19	Full-time equated classified positions.....	77.0
20	Michigan schools for the deaf and blind operations--	
21	76.0 FTE positions	\$ 12,812,700
22	Camp Tuhsmeheeta--1.0 FTE position.....	296,000
23	Private gifts - blind.....	200,000
24	Private gifts - deaf.....	<u>150,000</u>
25	GROSS APPROPRIATION.....	\$ 13,458,700
26	Appropriated from:	
27	Federal revenues:	

1	Federal revenues.....		7,048,600
2	Special revenue funds:		
3	Local cost sharing (schools for deaf/blind)		5,233,000
4	Local school district service fees.....		312,500
5	Gifts, bequests, and donations.....		646,000
6	Student insurance revenue.....		218,600
7	State general fund/general purpose.....	\$	0
8	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
9	Full-time equated classified positions.....	33.0	
10	Professional preparation operations--33.0 FTE		
11	positions	\$	<u>5,653,900</u>
12	GROSS APPROPRIATION.....	\$	5,653,900
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		1,464,100
16	Special revenue funds:		
17	Certification fees.....		3,602,000
18	Teacher testing fees.....		364,100
19	State general fund/general purpose.....	\$	223,700
20	Sec. 108. MICHIGAN OFFICE OF GREAT START		
21	Full-time equated classified positions.....	66.0	
22	Office of great start operations--65.0 FTE positions .	\$	23,177,400
23	Child development and care external support.....		27,374,600
24	Head start collaboration office--1.0 FTE position....		309,900
25	Child development and care public assistance.....		<u>124,200,100</u>
26	GROSS APPROPRIATION.....	\$	175,062,000
27	Appropriated from:		

1	Federal revenues:	
2	Federal revenues.....	137,156,700
3	Special revenue funds:	
4	Private foundations.....	250,000
5	Certification fees.....	64,600
6	State general fund/general purpose.....	\$ 37,590,700
7	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
8	Full-time equated classified positions.....	11.5
9	State aid and school finance operations--11.5 FTE	
10	positions	\$ <u>1,638,600</u>
11	GROSS APPROPRIATION.....	\$ 1,638,600
12	Appropriated from:	
13	State general fund/general purpose.....	\$ 1,638,600
14	Sec. 110. AUDIT SERVICES	
15	Full-time equated classified positions.....	4.5
16	Audit operations--4.5 FTE positions.....	\$ <u>612,500</u>
17	GROSS APPROPRIATION.....	\$ 612,500
18	Appropriated from:	
19	Federal revenues:	
20	Federal indirect funds.....	486,800
21	Special revenue funds:	
22	Certification fees.....	62,300
23	State general fund/general purpose.....	\$ 63,400
24	Sec. 111. ADMINISTRATIVE LAW SERVICES	
25	Full-time equated classified positions.....	2.0
26	Administrative law operations--2.0 FTE positions.....	\$ <u>1,364,300</u>
27	GROSS APPROPRIATION.....	\$ 1,364,300

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		564,200
4	Special revenue funds:		
5	Certification fees.....		701,500
6	State general fund/general purpose.....	\$	98,600
7	Sec. 112. ACCOUNTABILITY SERVICES		
8	Full-time equated classified positions.....	64.6	
9	Accountability services operations--64.6 FTE positions	\$	<u>14,619,400</u>
10	GROSS APPROPRIATION.....	\$	14,619,400
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues.....		13,476,200
14	State general fund/general purpose.....	\$	1,143,200
15	Sec. 113. SCHOOL SUPPORT SERVICES		
16	Full-time equated classified positions.....	83.6	
17	School support services operations--83.6 FTE positions	\$	<u>15,495,200</u>
18	GROSS APPROPRIATION.....	\$	15,495,200
19	Appropriated from:		
20	Federal revenues:		
21	Federal revenues.....		14,455,700
22	Special revenue funds:		
23	Local school district service fees.....		11,700
24	Certification fees.....		86,900
25	Commodity distribution fees.....		71,700
26	State general fund/general purpose.....	\$	869,200
27	Sec. 114. FIELD SERVICES		

1	Full-time equated classified positions.....	45.0	
2	Field services operations--45.0 FTE positions		\$ <u>9,349,200</u>
3	GROSS APPROPRIATION.....		\$ 9,349,200
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		8,599,200
7	Special revenue funds:		
8	Certification fees.....		37,300
9	State general fund/general purpose.....		\$ 712,700
10	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		
11	SERVICES		
12	Full-time equated classified positions.....	49.7	
13	Educational improvement and innovation operations--		
14	49.7 FTE positions		\$ <u>9,689,900</u>
15	GROSS APPROPRIATION.....		\$ 9,689,900
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues.....		6,596,600
19	Special revenue funds:		
20	Certification fees.....		565,100
21	State general fund/general purpose.....		\$ 2,528,200
22	Sec. 116. CAREER AND TECHNICAL EDUCATION		
23	Full-time equated classified positions.....	29.0	
24	Career and technical education operations--29.0 FTE		
25	positions		\$ <u>5,220,800</u>
26	GROSS APPROPRIATION.....		\$ 5,220,800
27	Appropriated from:		

1	Federal revenues:		
2	Federal revenues.....		3,887,400
3	State general fund/general purpose.....	\$	1,333,400
4	Sec. 117. LIBRARY OF MICHIGAN		
5	Full-time equated classified positions.....	33.0	
6	Library of Michigan operations--31.0 FTE positions ...	\$	4,497,400
7	Library services and technology program--1.0 FTE		
8	position		5,610,100
9	State aid to libraries.....		9,876,000
10	Michigan eLibrary--1.0 FTE position.....		1,752,300
11	Renaissance zone reimbursements.....		<u>5,300,000</u>
12	GROSS APPROPRIATION.....	\$	27,035,800
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		5,610,100
16	State general fund/general purpose.....	\$	21,425,700
17	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION		
18	Full-time equated classified positions.....	17.0	
19	Educator talent and policy coordination operations--		
20	17.0 FTE positions	\$	<u>2,574,200</u>
21	GROSS APPROPRIATION.....	\$	2,574,200
22	Appropriated from:		
23	Federal revenues:		
24	Federal revenues.....		627,400
25	Special revenue funds:		
26	Certification fees.....		239,600
27	State general fund/general purpose.....	\$	1,707,200

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

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

5 (a) "Department" means the Michigan department of education.

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

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

11 Sec. 204. The state superintendent of public instruction shall
12 take all reasonable steps to ensure businesses in deprived and
13 depressed communities compete for and perform contracts to provide
14 services or supplies, or both. The state superintendent of public
15 instruction shall strongly encourage firms with which the
16 department contracts to subcontract with certified businesses in
17 depressed and deprived communities for services, supplies, or both.

18 Sec. 205. The departments and agencies receiving
19 appropriations under part 1 shall use the Internet to fulfill the
20 reporting requirements of this part. This requirement may include
21 transmission of reports via electronic mail to the recipients
22 identified for each reporting requirement, or it may include
23 placement of reports on an Internet or Intranet site.

24 Sec. 206. The department shall provide through the Internet
25 the state board of education agenda and all supporting documents,
26 and shall notify the state budget director and the senate and house
27 fiscal agencies that the agenda and supporting documents are

1 available on the Internet, at the time the agenda and supporting
2 documents are provided to state board of education members.

3 Sec. 207. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:

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

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

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

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

14 (e) Job specifications and wage rates.

15 Sec. 208. The department shall require all districts and
16 intermediate school districts to maintain complete records within
17 the personnel file of a teacher or school employee of any
18 disciplinary actions taken by the governing board against the
19 teacher or employee for sexual misconduct. The records shall not be
20 destroyed or removed from the teacher's or employee's personnel
21 file except as required by a court order.

22 Sec. 211. To the extent the state continues to identify
23 schools as meeting proficiency targets, before publishing a list of
24 schools or districts determined to have failed to make adequate
25 yearly progress as required by the no child left behind act of
26 2001, Public Law 107-110, the department shall allow a school or
27 district to appeal that determination. Those appeals shall be

1 addressed before designation may be published.

2 Sec. 212. Funds appropriated in part 1 shall not be used for
3 the purchase of foreign goods or services, or both, if
4 competitively priced and comparable quality American goods or
5 services, or both, are available. Preference shall be given to
6 goods or services, or both, manufactured or provided by Michigan
7 businesses if they are competitively priced and of comparable
8 quality. In addition, preference should be given to goods or
9 services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans if they are competitively
11 priced and of comparable quality.

12 Sec. 214. The departments and agencies receiving
13 appropriations in part 1 shall prepare a report on out-of-state
14 travel expenses not later than January 1 of each year. The travel
15 report shall be a listing of all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the senate and house appropriations committees, the
20 house and senate fiscal agencies, and the state budget director.
21 The report must include the following information:

22 (a) The dates of each travel occurrence.

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

1 Sec. 216. The department shall not take disciplinary action
2 against an employee who communicates truthfully and factually with
3 a member of the legislature or his or her staff.

4 Sec. 219. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$10,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$700,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

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

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

1 Sec. 220. (1) The department shall provide data requested by a
2 member of the legislature, his or her staff, or the house and
3 senate fiscal agencies in a timely manner. If the department fails
4 to provide reasonably requested data within 30 days after the
5 request, the state money appropriated in part 1 for state
6 board/superintendent operations shall be reduced by 1%.

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

12 Sec. 221. Funds appropriated in part 1 shall not be used by a
13 principal executive department, state agency, or authority to hire
14 a person to provide legal services that are the responsibility of
15 the attorney general. This prohibition does not apply to legal
16 services for bonding activities and for those outside services that
17 the attorney general authorizes.

18 Sec. 222. The department shall maintain, on a publicly
19 accessible website, a department scorecard that identifies, tracks,
20 and regularly updates key metrics that are used to monitor and
21 improve the agency's performance.

22 Sec. 226. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total general fund/general purpose appropriation lapses at the
25 close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation
27 lapses by major departmental program or program areas. The report

1 shall be transmitted to the chairpersons of the senate and house
2 appropriations committees and the senate and house fiscal agencies.

3 Sec. 227. Within 14 days after the release of the executive
4 budget recommendation, the department shall cooperate with the
5 state budget office to provide the senate and house appropriations
6 chairs, the senate and house appropriations subcommittee chairs,
7 and the senate and house fiscal agencies with an annual report on
8 estimated state restricted fund balances, state restricted fund
9 projected revenues, and state restricted fund expenditures for the
10 fiscal years ending September 30, 2016 and September 30, 2017.

11 Sec. 230. The department may assist the department of health
12 and human services, other departments, and local school districts
13 to secure reimbursement for eligible services provided in Michigan
14 schools from the federal Medicaid program. The department may
15 submit reports of direct expenses related to this effort to the
16 department of health and human services for reimbursement.

17 Sec. 231. Total authorized appropriations from all sources
18 under part 1 for legacy costs for the fiscal year ending September
19 30, 2017 is \$16,971,500.00. From this amount, total agency
20 appropriations for pension-related legacy costs are estimated at
21 \$9,410,700.00. Total agency appropriations for retiree health care
22 legacy costs are estimated at \$7,560,800.00.

23 Sec. 233. No state department or agency shall issue a request
24 for proposal for a contract in excess of \$1,000,000.00, unless the
25 department or agency has first considered issuing a request for
26 information or a request for qualification relative to that
27 contract to better enable the department or agency to learn more

1 about the market for the products or services that are the subject
2 of the future request for proposal. The department or agency shall
3 notify the department of technology, management, and budget of the
4 evaluation process used to determine if a request for information
5 or request for qualification was not necessary before issuing the
6 request for proposal.

7 Sec. 234. In addition to the metrics required under section
8 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
9 each new program or program enhancement for which funds in excess
10 of \$500,000.00 are appropriated in part 1, the department shall
11 provide not later than November 1, 2016 a list of program-specific
12 metrics intended to measure its performance based on a return on
13 taxpayer investment. The department shall deliver the program-
14 specific metrics to members of the senate and house subcommittees
15 that have subject matter jurisdiction for this budget, fiscal
16 agencies, and the state budget director. The department shall
17 provide an update on its progress in tracking program-specific
18 metrics and the status of program success at an appropriations
19 subcommittee meeting called for by the subcommittee chair.

20 Sec. 235. The department shall not enter into a contract
21 funded under part 1 that exceeds \$1,000,000.00 or seek a federal
22 waiver or an amendment to the federal waiver, until after
23 notification of the content to both the house and senate
24 appropriations committees and the state budget director.

25 Sec. 236. From the funds appropriated in part 1, the
26 department shall compile a report that identifies the mandates
27 required of nonpublic schools. In compiling the report, the

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

11 **STATE BOARD/OFFICE OF THE SUPERINTENDENT**

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

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

17 (b) State board of education - member other than president -
18 \$100.00 per day.

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

21 **CENTRAL SUPPORT**

22 Sec. 325. Within 10 days of the receipt of a grant
23 appropriated in the federal and private grants line item in part 1,
24 the department shall notify the house and senate chairpersons of
25 the appropriations subcommittees responsible for the department

1 budget, the house and senate fiscal agencies, and the state budget
2 director of the receipt of the grant, including the funding source,
3 purpose, and amount of the grant.

4 **SPECIAL EDUCATION SERVICES**

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

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

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

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

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

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

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

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

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

25 Sec. 407. Revenue received by the Michigan schools for the
26 deaf and blind from gifts, bequests, donations, and local district
27 service fees that is unexpended at the end of the state fiscal year

1 may be carried over to the succeeding fiscal year and shall not
2 revert to the general fund.

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

11 **PROFESSIONAL PREPARATION SERVICES**

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

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

24 Sec. 506. Revenue received from teacher testing fees that is
25 unexpended at the end of the state fiscal year may be carried over
26 to the succeeding fiscal year and shall not revert to the general

1 fund.

2 **OFFICE OF FIELD SERVICES**

3 Sec. 701. (1) From the funds appropriated in part 1 for field
4 services operations, the department shall produce a report
5 detailing the progress made by districts with grades K-3 receiving
6 at-risk funding under section 31a of the state school aid act of
7 1979, 1979 PA 94, MCL 388.1631a, in implementing multi-tiered
8 systems of supports in the prior school fiscal year.

9 (2) The report under subsection (1) shall include, at a
10 minimum:

11 (a) A description of training, coaching, and technical
12 assistance offered by the department to districts to support the
13 implementation of effective multi-tiered systems of supports.

14 (b) A list of districts determined by the department to have
15 successfully implemented multi-tiered systems of supports.

16 (c) A list of best practices that the department has
17 identified that may be used by districts to implement multi-tiered
18 systems of supports.

19 (d) Other information the department determines would be
20 useful to understanding the status of districts' implementation of
21 effective multi-tiered systems of supports.

22 (3) The department shall provide the report under subsection
23 (1) to the state budget director, the house and senate
24 subcommittees that oversee the department of education and school
25 aid budgets, and the house and senate fiscal agencies by September
26 30, 2017.

1 **LIBRARY OF MICHIGAN**

2 Sec. 801. In addition to the funds appropriated in part 1, the
3 funds collected by the department for document reproduction and
4 services; conferences, workshops, and training classes; and the use
5 of specialized equipment, facilities, and software are appropriated
6 for all expenses necessary to provide the required services. These
7 funds are available for expenditure when they are received and may
8 be carried forward into the next succeeding fiscal year.

9 Sec. 803. It is the intent of the legislature that the library
10 of Michigan and the component programs currently within the library
11 of Michigan with the exception of the genealogical collections
12 shall be kept together in a state department.

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

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

25 **MICHIGAN OFFICE OF GREAT START**

26 Sec. 1001. By November 1, 2016, the department shall submit a

1 report to the house and senate appropriations subcommittees on the
2 department of education budget and the house and senate fiscal
3 agencies on the number of eligible child care providers by type
4 receiving payment for child care services from the department on
5 October 1, 2016.

6 Sec. 1003. (1) The department shall provide the house and
7 senate appropriations subcommittees on the department budget with
8 an annual report on all funding appropriated to the Early Childhood
9 Investment Corporation by the state for fiscal year 2015-2016. The
10 report is due by February 15 and shall contain at least the
11 following information:

12 (a) Total funding appropriated to the Early Childhood
13 Investment Corporation by the state for fiscal year 2015-2016.

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

15 (c) The grant recipients.

16 (d) The activities funded by each grant.

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

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

23 Sec. 1004. From the funds appropriated in part 1 for child
24 development and care public assistance, the department shall expand
25 the child development and care program in the current fiscal year.
26 The purpose of this program expansion is to increase the number of
27 low-income children in high-quality early learning programs, to

1 increase the number of children ready for school at kindergarten
2 entry, and to increase the number of children who are reading at
3 grade level by the end of third grade.

4 Sec. 1005. From the funds appropriated in part 1, the
5 department shall ensure that kindergarten benchmark data include a
6 method for information to be provided regarding a child's
7 participation in the great start readiness program.

8 Sec. 1006. The department shall post on its website a link to
9 the federal Institute of Education Sciences' What Works
10 Clearinghouse. The department also shall work to disseminate
11 knowledge about the What Works Clearinghouse to districts and
12 intermediate districts so that it may be used to improve reading
13 proficiency for pupils in grades K to 3.

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

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

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

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

26 (d) The number of providers that have improved their quality
27 rating since the start of fiscal year 2016-2017 compared to the

1 same time period in fiscal year 2015-2016.

2 (e) The types of activities that are intended to improve
3 licensing consultant performance and child care provider quality
4 and the number of times those activities are performed by the
5 managers and administrators.

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

10 Sec. 1008. From the funds appropriated in part 1 for child
11 development and care - child development and care public
12 assistance, there is allocated \$100.00 to raise the entrance
13 threshold of the child development and care program from 121% of
14 the federal poverty guidelines to 125% of the federal poverty
15 guidelines.

16 Sec. 1009. From the funds appropriated in part 1 for drinking
17 water declaration of emergency, the unexpended funds appropriated
18 for drinking water declaration of emergency needs are designated as
19 a work project appropriation, and any unencumbered or unallotted
20 funds shall not lapse at the end of the fiscal year and shall be
21 available for expenditures for projects under this section until
22 the projects have been completed. The following is in compliance
23 with section 451a of the management and budget act, 1984 PA 431,
24 MCL 18.1451a:

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

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

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

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

5 **ONE-TIME APPROPRIATIONS**

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

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

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

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

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

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

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

1 is a drinking water declaration of emergency served by the child
2 development and care program before the implementation of the
3 increase to the entrance threshold to 300% of the federal poverty
4 guidelines.

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

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

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

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

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

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

27 (i) The number of child care providers that were provided

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

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

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

18 ARTICLE VII

19 DEPARTMENT OF ENVIRONMENTAL QUALITY

20 PART 1

21 LINE-ITEM APPROPRIATIONS

22 Sec. 101. There is appropriated for the department of
23 environmental quality for the fiscal year ending September 30,
24 2017, from the following funds:

25 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

1	APPROPRIATION SUMMARY		
2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	1,232.0	
4	GROSS APPROPRIATION.....		\$ 520,499,400
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		9,225,700
8	ADJUSTED GROSS APPROPRIATION.....		\$ 511,273,700
9	Federal revenues:		
10	Total federal revenues.....		138,687,200
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		555,300
14	Total other state restricted revenues.....		315,844,800
15	State general fund/general purpose.....		\$ 56,186,400
16	FUND SOURCE SUMMARY		
17	Full-time equated unclassified positions.....	6.0	
18	Full-time equated classified positions.....	1,232.0	
19	GROSS APPROPRIATION.....		\$ 520,499,400
20	Interdepartmental grant revenues:		
21	IDG, MDSP.....		1,744,500
22	IDG, MDOT - Michigan transportation fund.....		1,335,100
23	IDT, interdivisional charges.....		2,053,400
24	IDT, laboratory services.....		4,092,700
25	Total interdepartmental grants and intradepartmental		
26	transfers		9,225,700
27	ADJUSTED GROSS APPROPRIATION.....		\$ 511,273,700

1	Federal revenues:	
2	Federal funds.....	138,687,200
3	Total federal revenues.....	138,687,200
4	Special revenue funds:	
5	Private funds.....	555,300
6	Total private revenues.....	555,300
7	Air emissions fees.....	12,132,700
8	Aquatic nuisance control fund.....	913,200
9	Campground fund.....	315,100
10	Clean Michigan initiative - clean water fund.....	3,417,100
11	Clean Michigan initiative - contaminated sediment....	2,265,000
12	Clean Michigan initiative - nonpoint source.....	2,000,000
13	Clean Michigan initiative - response activities.....	14,900,000
14	Cleanup and redevelopment fund.....	19,394,700
15	Community pollution prevention fund.....	250,000
16	Electronic waste recycling fund.....	327,100
17	Environmental education fund.....	166,200
18	Environmental pollution prevention fund.....	7,977,300
19	Environmental protection fund.....	2,429,900
20	Environmental response fund.....	3,773,600
21	Fees and collections.....	407,500
22	Financial instruments.....	9,416,500
23	Flint emergency reserve fund.....	100
24	Great Lakes protection fund.....	391,100
25	Groundwater discharge permit fees.....	1,751,000
26	Infrastructure construction fund.....	50,900
27	Land and water permit fees.....	3,217,000

1	Landfill maintenance trust fund.....	31,000
2	Medical waste emergency response fund.....	330,800
3	Metallic mining surveillance fee revenue.....	100,400
4	Mineral well regulatory fee revenue.....	220,600
5	Nonferrous metallic mineral surveillance.....	358,900
6	NPDES fees.....	4,542,100
7	Oil and gas regulatory fund.....	5,103,500
8	Orphan well fund.....	2,408,600
9	Public swimming pool fund.....	650,300
10	Public utility assessments.....	262,000
11	Public water supply fees.....	4,914,000
12	Refined petroleum fund.....	40,973,800
13	Revitalization revolving loan fund.....	103,100
14	Revolving loan revenue bonds.....	11,400,000
15	Sand extraction fee revenue.....	92,500
16	Scrap tire regulatory fund.....	5,080,800
17	Septage waste contingency fund.....	18,400
18	Septage waste program fund.....	525,000
19	Settlement funds.....	425,400
20	Sewage sludge land application fee.....	1,128,400
21	Small business pollution prevention revolving loan	
22	fund	165,100
23	Soil erosion and sedimentation control training fund.	169,600
24	Solid waste management fund - staff account.....	5,058,000
25	Stormwater permit fees.....	3,149,500
26	Strategic water quality initiatives fund.....	116,193,700
27	Underground storage tank cleanup fund.....	20,011,400

1	Wastewater operator training fees.....		584,200
2	Water analysis fees.....		2,239,600
3	Water pollution control revolving fund.....		3,724,400
4	Water quality protection fund.....		100,000
5	Water use reporting fees.....		283,700
6	Total other state restricted revenues.....		315,844,800
7	State general fund/general purpose.....	\$	56,186,400
8	Sec. 102. EXECUTIVE OPERATIONS		
9	Full-time equated unclassified positions..... 6.0		
10	Full-time equated classified positions..... 13.0		
11	Unclassified salaries--6.0 FTE positions.....	\$	754,000
12	Executive direction--13.0 FTE positions.....		<u>2,099,400</u>
13	GROSS APPROPRIATION.....	\$	2,853,400
14	Appropriated from:		
15	Federal revenues:		
16	Federal funds.....		27,600
17	Special revenue funds:		
18	Environmental protection fund.....		304,900
19	Environmental response fund.....		173,100
20	Oil and gas regulatory fund.....		226,900
21	Refined petroleum fund.....		601,000
22	Settlement funds.....		11,600
23	State general fund/general purpose.....	\$	1,508,300
24	Sec. 103. OFFICE OF THE GREAT LAKES		
25	Full-time equated classified positions..... 12.0		
26	Office of the Great Lakes--12.0 FTE positions.....	\$	2,170,700
27	Coastal management grants.....		<u>1,250,000</u>

1	GROSS APPROPRIATION.....	\$	3,420,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds.....		2,037,900
5	Special revenue funds:		
6	Great Lakes protection fund.....		369,400
7	Settlement funds.....		113,700
8	State general fund/general purpose.....	\$	899,700
9	Sec. 104. GREAT LAKES RESTORATION INITIATIVE		
10	Full-time equated classified positions..... 6.0		
11	Great Lakes restoration initiative--6.0 FTE positions	\$	<u>15,090,700</u>
12	GROSS APPROPRIATION.....	\$	15,090,700
13	Appropriated from:		
14	Federal revenues:		
15	Federal funds.....		15,090,700
16	Special revenue funds:		
17	State general fund/general purpose.....	\$	0
18	Sec. 105. DEPARTMENT SUPPORT SERVICES		
19	Full-time equated classified positions..... 34.0		
20	Central support services--34.0 FTE positions.....	\$	4,147,800
21	Accounting service center.....		1,391,400
22	Administrative hearings.....		381,200
23	Automated data processing.....		2,053,400
24	Building occupancy charges.....		4,582,800
25	Environmental support projects.....		5,000,000
26	Rent - privately owned property.....		<u>2,240,600</u>
27	GROSS APPROPRIATION.....	\$	19,797,200

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG, MDSP.....	60,100
4	IDT, interdivisional charges.....	2,053,400
5	IDT, laboratory services.....	153,300
6	Federal revenues:	
7	Special revenue funds:	
8	Air emissions fees.....	1,258,400
9	Campground fund.....	14,300
10	Cleanup and redevelopment fund.....	1,438,700
11	Electronic waste recycling fund.....	15,300
12	Environmental pollution prevention fund.....	778,800
13	Environmental response fund.....	217,800
14	Fees and collections.....	26,900
15	Financial instruments.....	7,261,900
16	Great Lakes protection fund.....	14,100
17	Groundwater discharge permit fees.....	182,600
18	Land and water permit fees.....	528,500
19	Medical waste emergency response fund.....	16,100
20	Metallic mining surveillance fee revenue.....	4,500
21	Mineral well regulatory fee revenue.....	8,100
22	Nonferrous metallic mineral surveillance.....	800
23	NPDES fees.....	224,300
24	Oil and gas regulatory fund.....	598,500
25	Orphan well fund.....	47,400
26	Public swimming pool fund.....	24,600
27	Public utility assessments.....	19,500

1	Public water supply fees.....	174,300
2	Refined petroleum fund.....	1,610,700
3	Sand extraction fee revenue.....	3,800
4	Scrap tire regulatory fund.....	152,600
5	Septage waste program fund.....	18,100
6	Settlement funds.....	37,200
7	Sewage sludge land application fee.....	116,500
8	Small business pollution prevention revolving loan	
9	fund	17,400
10	Soil erosion and sedimentation control training fund.	17,000
11	Solid waste management fund - staff account.....	306,400
12	Stormwater permit fees.....	115,200
13	Wastewater operator training fees.....	31,000
14	Water analysis fees.....	138,100
15	Water use reporting fees.....	22,200
16	State general fund/general purpose.....	\$ 2,088,800
17	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
18	Full-time equated classified positions..... 38.0	
19	Office of environmental assistance--38.0 FTE positions	\$ 6,257,700
20	Pollution prevention local grants.....	<u>250,000</u>
21	GROSS APPROPRIATION.....	\$ 6,507,700
22	Appropriated from:	
23	Federal revenues:	
24	Federal funds.....	704,800
25	Special revenue funds:	
26	Private funds.....	364,200
27	Air emissions fees.....	136,300

1	Community pollution prevention fund.....		250,000
2	Environmental education fund.....		166,200
3	Environmental pollution prevention fund.....		1,501,300
4	Fees and collections.....		120,100
5	Settlement funds.....		262,900
6	Small business pollution prevention revolving loan		
7	fund		134,400
8	State general fund/general purpose.....	\$	2,867,500
9	Sec. 107. WATER RESOURCES DIVISION		
10	Full-time equated classified positions.....	316.0	
11	Land and water interface permit programs--	82.0 FTE	
12	positions		\$ 11,659,600
13	Program direction and project assistance--	27.0 FTE	
14	positions		3,030,700
15	Water withdrawal assessment program--	4.0 FTE positions	1,423,500
16	Expedited water/wastewater permits--	1.0 FTE position.	50,900
17	Fish contaminant monitoring.....		316,100
18	NPDES nonstormwater program--	83.0 FTE positions	13,003,900
19	Surface water--	86.0 FTE positions	15,871,800
20	Aquatic nuisance control program--	6.0 FTE positions ..	913,200
21	Groundwater discharge permit program--	22.0 FTE	
22	positions		3,215,900
23	Federal - Great Lakes remedial action plan grants		583,800
24	Federal - nonpoint source water pollution grants		4,083,300
25	Water quality protection grants		100,000
26	Water quality and use initiative--	5.0 FTE positions ..	1,645,700
27	Real-time beach monitoring program.....		500,000

1	Wetlands program.....	1,000,000
2	Wetland mitigation banking grants and loans	3,000,000
3	Contaminated lake and river sediment cleanup program .	1,565,000
4	Nonpoint source pollution prevention and control	
5	project program	<u>2,000,000</u>
6	GROSS APPROPRIATION.....	\$ 63,963,400
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, MDOT - Michigan transportation fund.....	1,249,000
10	Federal revenues:	
11	Federal funds.....	19,479,100
12	Special revenue funds:	
13	Aquatic nuisance control fund.....	913,200
14	Clean Michigan initiative fund - clean water fund....	3,417,100
15	Clean Michigan initiative fund - contaminated sediment	1,565,000
16	Clean Michigan initiative fund - nonpoint source	2,000,000
17	Environmental response fund.....	204,800
18	Groundwater discharge permit fees.....	1,472,900
19	Infrastructure construction fund.....	50,900
20	Land and water permit fees.....	2,345,100
21	NPDES fees.....	4,144,500
22	Refined petroleum fund.....	442,300
23	Sewage sludge land application fee.....	950,200
24	Soil erosion and sedimentation control training fund .	139,600
25	Stormwater permit fees.....	2,945,900
26	Strategic water quality initiatives fund.....	3,000,000
27	Wastewater operator training fees.....	280,700

1	Water pollution control revolving fund.....	821,900
2	Water quality protection fund.....	100,000
3	Water use reporting fees.....	245,100
4	State general fund/general purpose.....	\$ 18,196,100
5	Sec. 108. LAW ENFORCEMENT DIVISION	
6	Full-time equated classified positions.....	14.0
7	Environmental investigations--14.0 FTE positions.....	\$ <u>2,837,200</u>
8	GROSS APPROPRIATION.....	\$ 2,837,200
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDT, laboratory services.....	15,800
12	Federal revenues:	
13	Federal funds.....	575,700
14	Special revenue funds:	
15	Air emissions fees.....	56,300
16	Campground fund.....	2,100
17	Cleanup and redevelopment fund.....	187,600
18	Electronic waste recycling fund.....	1,600
19	Environmental pollution prevention fund.....	107,500
20	Environmental response fund.....	40,300
21	Fees and collections.....	4,100
22	Financial instruments.....	519,100
23	Great Lakes protection fund.....	1,500
24	Groundwater discharge permit fees.....	18,800
25	Land and water permit fees.....	77,700
26	Medical waste emergency response fund.....	2,400
27	Metallic mining surveillance fee revenue.....	700

1	Mineral well regulatory fee revenue.....	1,200
2	NPDES fees.....	32,300
3	Oil and gas regulatory fund.....	86,600
4	Orphan well fund.....	7,100
5	Public swimming pool fund.....	3,700
6	Public utility assessments.....	2,000
7	Public water supply fees.....	26,500
8	Refined petroleum fund.....	362,500
9	Sand extraction fee revenue.....	600
10	Scrap tire regulatory fund.....	29,200
11	Septage waste program fund.....	2,700
12	Sewage sludge land application fee.....	12,200
13	Small business pollution prevention revolving loan	
14	fund	2,600
15	Soil erosion and sedimentation control training fund.	2,600
16	Solid waste management fund - staff account	40,800
17	Stormwater permit fees.....	17,500
18	Wastewater operator training fees.....	4,600
19	Water analysis fees.....	18,200
20	Water use reporting fees.....	3,100
21	State general fund/general purpose.....	\$ 570,000
22	Sec. 109. AIR QUALITY DIVISION	
23	Full-time equated classified positions.....	188.0
24	Air quality programs--188.0 FTE positions.....	\$ <u>27,231,500</u>
25	GROSS APPROPRIATION.....	\$ 27,231,500
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds.....		7,450,200
2	Special revenue funds:		
3	Air emissions fees.....		10,015,300
4	Environmental pollution prevention fund.....		1,362,000
5	Fees and collections.....		205,300
6	Oil and gas regulatory fund.....		137,200
7	Refined petroleum fund.....		3,657,200
8	State general fund/general purpose.....	\$	4,404,300
9	Sec. 110. RESOURCE MANAGEMENT DIVISION		
10	Full-time equated classified positions.....	305.0	
11	Drinking water and environmental health--	106.0 FTE	
12	positions		\$ 14,901,900
13	Hazardous waste management program--	45.0 FTE positions	6,946,100
14	Low-level radioactive waste authority--	2.0 FTE	
15	positions		232,600
16	Medical waste program--	2.0 FTE positions	302,300
17	Municipal assistance--	29.0 FTE positions	4,800,500
18	Radiological protection program--	12.0 FTE positions ..	1,966,500
19	Scrap tire regulatory program--	10.0 FTE positions	1,334,700
20	Oil, gas, and mineral services--	59.0 FTE positions ...	6,794,800
21	Recycling initiative--	3.0 FTE positions	1,008,700
22	Solid waste management program--	37.0 FTE positions ...	5,026,400
23	Drinking water program grants.....		830,000
24	Noncommunity water grants.....		2,000,000
25	Septage waste compliance grants.....		275,000
26	Strategic water quality initiative grants and loans ..		97,000,000
27	Water pollution control and drinking water revolving		

1	fund	84,993,000
2	Scrap tire grants.....	<u>3,500,000</u>
3	GROSS APPROPRIATION.....	\$ 231,912,500
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, MDSP.....	1,658,600
7	Federal revenues:	
8	Federal funds.....	86,027,300
9	Special revenue funds:	
10	Campground fund.....	290,300
11	Electronic waste recycling fund.....	303,700
12	Environmental pollution prevention fund.....	3,768,300
13	Fees and collections.....	34,500
14	Medical waste emergency response fund.....	302,300
15	Metallic mining surveillance fee revenue.....	92,500
16	Mineral well regulatory fee revenue.....	206,400
17	Nonferrous metallic mineral surveillance.....	357,800
18	Oil and gas regulatory fund.....	3,727,700
19	Orphan well fund.....	2,324,600
20	Public swimming pool fund.....	606,900
21	Public utility assessments.....	232,600
22	Public water supply fees.....	4,257,700
23	Refined petroleum fund.....	682,500
24	Revolving loan revenue bonds.....	11,400,000
25	Sand extraction fee revenue.....	85,800
26	Scrap tire regulatory fund.....	4,834,700
27	Septage waste contingency fund.....	18,400

1	Septage waste program fund.....		492,900
2	Solid waste management fund - staff account.....		4,539,600
3	Strategic water quality initiatives fund.....		98,193,700
4	Wastewater operator training fees.....		248,700
5	Water pollution control revolving fund.....		2,858,900
6	State general fund/general purpose.....	\$	4,366,100
7	Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION		
8	Full-time equated classified positions.....	291.0	
9	Contaminated site investigations, cleanup and		
10	revitalization--127.0 FTE positions.....	\$	13,859,200
11	Federal cleanup project management--40.0 FTE positions		6,934,500
12	Laboratory services--39.0 FTE positions.....		6,175,300
13	Emergency cleanup actions.....		4,000,000
14	Environmental cleanup support.....		1,840,000
15	Environmental cleanup and redevelopment program.....		29,900,000
16	Refined petroleum product cleanup program--85.0 FTE		
17	positions		32,975,700
18	Superfund cleanup.....		1,000,000
19	Statewide school water testing for lead.....		<u>9,000,000</u>
20	GROSS APPROPRIATION.....	\$	105,684,700
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDT, laboratory services.....		3,858,800
24	Federal revenues:		
25	Federal funds.....		6,305,400
26	Special revenue funds:		
27	Private funds.....		191,100

1	Clean Michigan initiative - response activities	14,900,000
2	Cleanup and redevelopment fund.....	17,006,600
3	Environmental protection fund.....	2,037,600
4	Environmental response fund.....	2,972,000
5	Landfill maintenance trust fund.....	31,000
6	Public water supply fees.....	307,500
7	Refined petroleum fund.....	31,962,600
8	Revitalization revolving loan fund.....	103,100
9	Strategic water quality initiatives fund.....	15,000,000
10	Water analysis fees.....	2,009,000
11	State general fund/general purpose.....	\$ 9,000,000
12	Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY	
13	Full-time equated classified positions.....	5.0
14	Underground storage tank cleanup program--5.0 FTE	
15	positions	\$ <u>20,011,400</u>
16	GROSS APPROPRIATION.....	\$ 20,011,400
17	Appropriated from:	
18	Federal revenues:	
19	Special revenue funds:	
20	Underground storage tank cleanup fund.....	20,011,400
21	State general fund/general purpose.....	\$ 0
22	Sec. 113. INFORMATION TECHNOLOGY	
23	Information technology services and projects	\$ <u>8,638,900</u>
24	GROSS APPROPRIATION.....	\$ 8,638,900
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG, MDSP.....	25,800

1	IDG, MDOT - Michigan transportation fund.....	86,100
2	IDT, laboratory services.....	64,800
3	Federal revenues:	
4	Federal funds.....	988,500
5	Special revenue funds:	
6	Air emission fees.....	666,400
7	Campground fund.....	8,400
8	Cleanup and redevelopment fund.....	761,800
9	Electronic waste recycling fund.....	6,500
10	Environmental pollution prevention fund.....	459,400
11	Environmental protection fund.....	87,400
12	Environmental response fund.....	165,600
13	Fees and collections.....	16,600
14	Financial instruments.....	1,635,500
15	Great Lakes protection fund.....	6,100
16	Groundwater discharge permit fees.....	76,700
17	Land and water permit fees.....	265,700
18	Medical waste emergency response fund.....	10,000
19	Metallic mining surveillance fee revenue.....	2,700
20	Mineral well regulatory fee revenue.....	4,900
21	Nonferrous metallic mineral surveillance.....	300
22	NPDES fees.....	141,000
23	Oil and gas regulatory fund.....	326,600
24	Orphan well fund.....	29,500
25	Public swimming pool fund.....	15,100
26	Public utility assessments.....	7,900
27	Public water supply fees.....	148,000

1	Refined petroleum fund.....	1,655,000
2	Sand extraction fee revenue.....	2,300
3	Scrap tire regulatory fund.....	64,300
4	Septage waste program fund.....	11,300
5	Sewage sludge land application fee.....	49,500
6	Small business pollution prevention revolving loan	
7	fund	10,700
8	Soil erosion and sedimentation control training fund.	10,400
9	Solid waste management fund - staff account	171,200
10	Stormwater permit fees.....	70,900
11	Wastewater operator training fees.....	19,200
12	Water analysis fees.....	74,300
13	Water pollution control revolving fund.....	43,600
14	Water use reporting fees.....	13,300
15	State general fund/general purpose.....	\$ 435,600
16	Sec. 114. ONE-TIME BASIS APPROPRIATIONS	
17	Full-time equated classified positions..... 10.0	
18	Contaminated lake and river sediment cleanup program	
19	(one-time)	\$ 700,000
20	Drinking water declaration of emergency--10.0 FTE	
21	positions	5,400,100
22	Oil, gas and mineral services (one-time)	3,500,000
23	Water pollution control and drinking water revolving	
24	fund	<u>2,950,000</u>
25	GROSS APPROPRIATION.....	\$ 12,550,100
26	Appropriated from:	
27	Federal revenues:	

1	Special revenue funds:	
2	Clean Michigan initiative - contaminated sediment	700,000
3	Flint emergency reserve fund.....	100
4	State general fund/general purpose.....	\$ 11,850,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

9 Sec. 201. In accordance with the provisions of section 30 of
10 article IX of the state constitution of 1963, total state spending
11 from state resources in part 1 for the fiscal year ending September
12 30, 2017 is \$374,031,200.00 and state appropriations paid to local
13 units of government are \$3,750,000.00. The following itemized list
14 identifies appropriations from which appropriations to local units
15 of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

17	Drinking water and environmental health.....	\$ 212,000
18	Drinking water program grants.....	157,000
19	Emergency cleanup actions.....	106,000
20	Noncommunity water grants.....	1,700,000
21	Scrap tire grants.....	500,000
22	Pollution prevention local grants.....	250,000
23	Real-time beach monitoring program.....	500,000
24	Septage waste compliance grants.....	100,000
25	Solid waste management program.....	65,000

1	Surface water.....	160,000
2	TOTAL.....	\$ 3,750,000

3 Sec. 202. The appropriations made and expenditures authorized
 4 under part 1 and this part and the departments, commissions,
 5 boards, offices, and programs for which appropriations are made
 6 under part 1 and this part are subject to the management and budget
 7 act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

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

13 (d) "NPDES" means national pollution discharge elimination
 14 system.

15 Sec. 205. The departments and agencies receiving
 16 appropriations in part 1 shall use the Internet to fulfill the
 17 reporting requirements of this part. This requirement may include
 18 transmission of reports via electronic mail to the recipients
 19 identified for each reporting requirement, or it may include
 20 placement of reports on an Internet or Intranet site.

21 Sec. 209. The departments and agencies receiving
 22 appropriations in part 1 shall prepare a report on out-of-state
 23 travel expenses not later than January 1 of each year. The travel
 24 report shall be a listing of all travel by classified and
 25 unclassified employees outside this state in the immediately
 26 preceding fiscal year that was funded in whole or in part with
 27 funds appropriated in the department's budget. The report shall be

1 submitted to the house and senate appropriations committees, the
2 house and senate fiscal agencies, and the state budget director.
3 The report shall include the following information:

4 (a) The dates of each travel occurrence.

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

10 Sec. 210. Funds appropriated in part 1 shall not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference shall be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses if they are competitively priced and of comparable
16 quality. In addition, preference shall be given to goods or
17 services, or both, that are manufactured or provided by Michigan
18 businesses owned and operated by veterans, if they are
19 competitively priced and of comparable quality.

20 Sec. 211. The director shall take all reasonable steps to
21 ensure businesses in deprived and depressed communities compete for
22 and perform contracts to provide services or supplies, or both. The
23 director shall strongly encourage firms with which the department
24 contracts to subcontract with certified businesses in depressed and
25 deprived communities for services, supplies, or both.

26 Sec. 212. The department shall not take disciplinary action
27 against an employee for communicating with a member of the

1 legislature or his or her staff.

2 Sec. 213. (1) Funds appropriated in part 1 shall not be used
3 by the department to promulgate a rule that will apply to a small
4 business and that will have a disproportionate economic impact on
5 small businesses because of the size of those businesses if the
6 department fails to reduce the disproportionate economic impact of
7 the rule on small businesses as provided under section 40 of the
8 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

9 (2) As used in this section:

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

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

15 Sec. 214. Funds appropriated in this part and part 1 shall not
16 be used by a principal executive department, state agency, or
17 authority to hire a person to provide legal services that are the
18 responsibility of the attorney general. This prohibition does not
19 apply to legal services for bonding activities and for those
20 activities that the attorney general authorizes.

21 Sec. 215. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$30,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

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

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

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

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

18 Sec. 216. (1) The department shall report all of the following
19 information relative to allocations made from appropriations for
20 the environmental cleanup and redevelopment program, state cleanup,
21 emergency actions, superfund cleanup, the revitalization revolving
22 loan program, the brownfield grants and loans program, the leaking
23 underground storage tank cleanup program, the contaminated lake and
24 river sediments cleanup program, the refined petroleum product
25 cleanup program, and the environmental protection bond projects
26 under section 19508(7) of the natural resources and environmental
27 protection act, 1994 PA 451, MCL 324.19508, to the state budget

1 director, the senate and house appropriations subcommittees on
2 environmental quality, and the senate and house fiscal agencies:

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

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

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

8 (d) The estimated date that site closure activities will be
9 completed.

10 (e) The amount of the allocation, or the anticipated financing
11 for the site.

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

14 (g) The number of brownfield projects that were successfully
15 redeveloped.

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

18 (a) The status of all state-owned facilities that are on the
19 list compiled under part 201 of the natural resources and
20 environmental protection act, 1994 PA 451, MCL 324.20101 to
21 324.20142.

22 (b) The report shall include the total amount of funds
23 expended during the fiscal year and the total amount of funds
24 awaiting expenditure.

25 (c) The total amount of bonds issued for the environmental
26 protection bond program pursuant to part 193 of the natural
27 resources and environmental protection act, 1994 PA 451, MCL

1 324.19301 to 324.19306, and bonds issued pursuant to the clean
2 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

5 Sec. 217. (1) The department may expend amounts remaining from
6 the current and prior fiscal year appropriations to meet funding
7 needs of legislatively approved sites for the environmental cleanup
8 and redevelopment program, the refined petroleum product cleanup
9 program, brownfield grants and loans, waterfront grants, and the
10 environmental bond site reclamation program.

11 (2) Unexpended and unencumbered amounts remaining from
12 appropriations from the environmental protection bond fund
13 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
14 2012 PA 236 are appropriated for expenditure for any site listed in
15 this part and part 1 and any site listed in the public acts
16 referenced in this section.

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

24 (4) Unexpended and unencumbered amounts remaining from
25 appropriations from the refined petroleum fund activities contained
26 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2012 PA 200,
27 2013 PA 59, 2014 PA 252, and 2015 PA 84 are appropriated for

1 expenditure for any site listed in this part and part 1 and any
2 site listed in the public acts referenced in this section.

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

9 Sec. 219. Unexpended settlement revenues at the end of the
10 fiscal year may be carried forward into the settlement fund in the
11 succeeding fiscal year up to a maximum carryforward of
12 \$2,500,000.00.

13 Sec. 221. Not later than November 30, the state budget office
14 shall prepare and transmit a report that provides for estimates of
15 the total general fund/general purpose appropriation lapses at the
16 close of the prior fiscal year. This report shall summarize the
17 projected year-end general fund/general purpose appropriation
18 lapses by major departmental program or program areas. The report
19 shall be transmitted to the chairpersons of the senate and house
20 appropriations committees and the senate and house fiscal agencies.

21 Sec. 222. Within 14 days after the release of the executive
22 budget recommendation, the department shall cooperate with the
23 state budget office to provide the senate and house appropriations
24 chairs, the senate and house appropriations subcommittee chairs,
25 and the senate and house fiscal agencies with an annual report on
26 estimated state restricted fund balances, state restricted fund
27 projected revenues, and state restricted fund expenditures for the

1 fiscal years ending September 30, 2016 and September 30, 2017.

2 Sec. 225. The department shall cooperate with the department
3 of technology, management, and budget to maintain a searchable
4 website accessible by the public at no cost that includes, but is
5 not limited to, all of the following for each department or agency:

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

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

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

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

13 (e) Job specifications and wage rates.

14 Sec. 231. The department shall maintain, on a publicly
15 accessible website, a department scorecard that identifies, tracks,
16 and regularly updates key metrics that are used to monitor and
17 improve the agency's performance.

18 Sec. 234. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2017 are \$33,238,200.00. From this amount, total agency
21 appropriations for pension-related legacy costs are estimated at
22 \$18,429,800.00. Total agency appropriations for retiree health care
23 legacy costs are estimated at \$14,808,400.00.

24 Sec. 235. The department shall prepare an annual report to the
25 legislature that details all of the following for each of the
26 allocations from the clean Michigan initiative bond fund as
27 described in section 19607(1)(a) to (i) of the natural resources

1 and environmental protection act, 1994 PA 451, MCL 324.19607:

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

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

5 (c) The estimated remaining cost of all projects funded in
6 each category.

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

9 **REMEDICATION DIVISION**

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

13 Sec. 302. The unexpended funds appropriated in part 1 for
14 emergency cleanup actions, the environmental cleanup and
15 redevelopment program, and the refined petroleum product cleanup
16 program are considered work project appropriations and any
17 unencumbered or unallotted funds are carried forward into the
18 succeeding fiscal year. The following is in compliance with section
19 451a(1) of the management and budget act, 1984 PA 431, MCL
20 18.1451a:

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

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

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

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

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

6 Sec. 304. Effective October 1, 2016, surplus funds not to
 7 exceed \$1,000,000.00 in the community pollution prevention fund
 8 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
 9 to the environmental protection fund created in section 503a of the
 10 natural resources and environmental protection act, 1994 PA 451,
 11 MCL 324.503a.

12 Sec. 305. It is the intent of the legislature to repay the
 13 refined petroleum fund for the \$70,000,000.00 that was transferred
 14 to the environmental protection fund created in section 503a of the
 15 natural resources and environmental protection act, 1994 PA 451,
 16 MCL 324.503a, as part of the resolution for the fiscal year 2006-
 17 2007 budget.

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

21 Site Name	County
22 Long Lake Super Market	Alpena
23 Mark & Penny Case	Branch
24 Geyer Motor Sales	Cheboygan
25 Proctor Gamble	Cheboygan
26 Action Auto #4	Genesee
27 Linden Multi-Site Contamination	Genesee

1	Clark Service Station #1027	Kalamazoo
2	1603 Diamond	Kent
3	501 Leonard	Kent
4	Blanchard Grocery	Montcalm
5	13169 Northline Road	Wayne

6 (2) The department shall provide a report to the legislature
7 on the amount actually spent at each site listed in subsection (1)
8 and give a detailed account of the work actually performed at each
9 site.

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

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

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

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

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

24 Sec. 312. (1) From the funds appropriated in part 1 for
25 statewide school water testing for lead, there is allocated an
26 amount not to exceed \$9,000,000.00 for reimbursements to public and
27 private prekindergarten through twelfth grade schools for costs

1 associated with testing for lead in water. Funds described in this
2 section are intended to ensure that public and private
3 prekindergarten through twelfth grade schools are providing safe
4 drinking water.

5 (2) Not later than October 1, 2016, the department, in
6 collaboration with the department of education and the department
7 of licensing and regulatory affairs, shall develop a strategic
8 statewide plan for the testing for lead in water by public and
9 private prekindergarten through twelfth grade schools served by
10 municipal water systems that provides criteria for prioritizing
11 what facilities, water pipes, and plumbing fixtures should be
12 tested. At a minimum, the age of the facility should be considered,
13 as well as fixtures that are high risk, such as drinking fountains,
14 ice makers, kitchen taps, or any other fixtures that deliver water
15 commonly used for human consumption. The strategic statewide plan
16 shall also identify the proper sampling and analysis protocols for
17 testing for lead in water and measures for reducing lead exposure
18 as recommended by the United States Environmental Protection
19 Agency. If test results demonstrate lead levels that are not in
20 compliance with state or federal standards for safe drinking water,
21 the department may collaborate with the school to implement a plan
22 to reduce lead levels in that school's drinking water.

23 (3) Not later than October 1, 2016, the department shall
24 provide notice to all public and private prekindergarten through
25 twelfth grade schools of the strategic statewide plan and the
26 application process for reimbursement of voluntary testing for lead
27 in water.

1 (4) The application for reimbursement shall include the
2 collection of data that, at a minimum, allows the department to
3 prepare a report to the governor, the legislature, the house and
4 senate fiscal agencies, and the state budget director not later
5 than 60 days after the end of the state fiscal year containing all
6 of the following information:

7 (a) The total number of fixtures within the public and private
8 prekindergarten through twelfth grade schools providing water for
9 human consumption that met the prioritization criteria contained in
10 the strategic statewide plan.

11 (b) The total number of fixtures tested for lead using the
12 sampling and analysis protocols recommended in the strategic
13 statewide plan.

14 (c) The number of fixtures tested that showed elevated levels
15 of lead.

16 (d) A description of the measures implemented by the public
17 and private prekindergarten through twelfth grade school to reduce
18 elevated levels of lead.

19 (e) Any financial or other information that the department
20 determines would be necessary to properly reimburse public and
21 private prekindergarten through twelfth grade schools.

22 (f) Assurance that the public and private prekindergarten
23 through twelfth grade school has posted the testing results on its
24 website in a form and manner approved by the department.

25 (5) Payments under this section may be made as determined by
26 the department for eligible testing reimbursement requests. If
27 eligible testing requests for reimbursement exceed the

1 appropriation contained in this section, those reimbursement
2 requests shall be paid from funding made available in the following
3 fiscal year.

4 (6) As used in this section, "eligible testing reimbursement
5 request" means a reimbursement request for reasonable costs
6 associated with water testing that occurred after October 1, 2015
7 that meets the prioritization criteria in the strategic statewide
8 plan and that has been tested according to the sampling and
9 analysis protocols contained in the strategic statewide plan.

10 **WATER RESOURCES DIVISION**

11 Sec. 402. From the funds appropriated in part 1 for the water
12 quality and use initiative/general line item, the department shall
13 update a report detailing a comprehensive plan for the use of the
14 water quality and use initiative funding appropriated in part 1 and
15 identifying the amount of expenditures for specific programs made
16 from the water quality and use initiative/general line item, the
17 real-time beach monitoring program line item, and the wetlands
18 program line item. The report shall be submitted to the
19 chairpersons of the senate and house of representatives
20 appropriations subcommittees on environmental quality and the
21 senate and house fiscal agencies by September 30, 2017.

22 Sec. 405. If a certified health department does not exist in a
23 city, county, or district or does not fulfill its responsibilities
24 under part 117 of the natural resources and environmental
25 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
26 department may spend funds appropriated in part 1 under the septage

1 waste compliance program in accordance with section 11716 of the
2 natural resources and environmental protection act, 1994 PA 451,
3 MCL 324.11716.

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

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

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

13 (c) The total estimated cost of all projects is \$2,265,000.00.

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

15 **AIR QUALITY DIVISION**

16 Sec. 502. The department shall not assess additional penalties
17 under part 55 of the natural resources and environmental protection
18 act, 1994 PA 451, MCL 324.5501 to 324.5542, for violations that
19 occurred under a previous owner unless compelled by a consent order
20 or judgment, or other legal requirement.

21 **RESOURCE MANAGEMENT DIVISION**

22 Sec. 601. From funds appropriated in part 1, the department
23 shall prepare a progress report on the development of a statewide
24 sanitary septic code by January 1, 2017.

25 Sec. 603. From the funds appropriated in part 1, by December

1 31, 2016, the department shall compile and make available to the
2 public on a publicly accessible website a report containing a
3 summary document of each completed asset management plan for any
4 stormwater, asset management, or wastewater grant awarded to a
5 local unit of government to fund the development of a plan. As a
6 condition of receiving a stormwater, asset management, or
7 wastewater grant, a local unit of government shall make its asset
8 management plan available to the department upon request when
9 completed and shall retain copies of the plan that can be made
10 available to the public for a minimum of 15 years. The department
11 shall make available a summary document of each plan on a publicly
12 accessible website by September 30 of the year it was completed.
13 The summary document shall include a summary of the plan, the
14 plan's major identified assets, and contact information for the
15 local unit of government.

16 Sec. 604. The appropriation in part 1 for oil, gas, and
17 mineral services is to provide for the study and mapping of
18 Michigan's geological resources to identify their potential social
19 and economic benefits and to provide for the protection of the
20 associated resource values and the environment. An advisory
21 committee consisting of the director, the directors of the
22 departments of natural resources and agriculture and rural
23 development, and the chief of the department's office of oil, gas,
24 and minerals shall develop an annual work plan for the survey to
25 meet the strategic needs of the state.

26 **UNDERGROUND STORAGE TANK AUTHORITY**

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

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

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

10 (c) The total estimated cost of all projects is
11 \$20,000,000.00.

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

13 **ONE-TIME APPROPRIATIONS**

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

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

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

22 Sec. 803. The department shall provide a report detailing the
23 expenditure of departmental funds appropriated in 2015 PA 143 and
24 2016 PA 3. The report shall include the following:

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

26 (b) The purpose for each expenditure.

- 1 (c) The status of programs supported by this funding.
- 2 (d) A brief description of how related problems have been or
- 3 will be resolved if expenditures are made for immediate response.
- 4 (e) The job titles and number of departmental FTEs engaged in
- 5 the Flint declaration of emergency response effort.

6 ARTICLE VIII
 7 GENERAL GOVERNMENT
 8 PART 1

9 LINE-ITEM APPROPRIATIONS

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

17 **TOTAL GENERAL GOVERNMENT**

18 APPROPRIATION SUMMARY

19	Full-time equated unclassified positions.....	50.0	
20	Full-time equated classified positions.....	8,686.7	
21	GROSS APPROPRIATION.....		\$ 4,863,878,900
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		760,158,300
25	ADJUSTED GROSS APPROPRIATION.....		\$ 4,103,720,600

1	Federal revenues:	
2	Total federal revenues.....	832,523,500
3	Special revenue funds:	
4	Total local revenues.....	17,021,000
5	Total private revenues.....	6,064,500
6	Total other state restricted revenues.....	2,153,660,400
7	State general fund/general purpose.....	\$ 1,094,451,200
8	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
9	(1) APPROPRIATION SUMMARY	
10	Full-time equated unclassified positions.....	6.0
11	Full-time equated classified positions.....	527.0
12	GROSS APPROPRIATION.....	\$ 97,785,900
13	Interdepartmental grant revenues:	
14	Total interdepartmental grants and intradepartmental	
15	transfers	28,989,700
16	ADJUSTED GROSS APPROPRIATION.....	\$ 68,796,200
17	Federal revenues:	
18	Total federal revenues.....	9,476,700
19	Special revenue funds:	
20	Total local revenues.....	0
21	Total private revenues.....	0
22	Total other state restricted revenues.....	20,178,900
23	State general fund/general purpose.....	\$ 39,140,600
24	(2) ATTORNEY GENERAL OPERATIONS	
25	Full-time equated unclassified positions.....	6.0
26	Full-time equated classified positions.....	522.5

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

1	IDG from MDLARA, remonumentation fees.....	106,100
2	IDG from MDLARA, securities fees.....	188,300
3	IDG from MDLARA, unlicensed builders.....	334,700
4	IDG from MDMVA.....	164,900
5	IDG from MDOS, children's protection registry.....	45,000
6	IDG from MDOT, comprehensive transportation fund.....	204,500
7	IDG from MDOT, state aeronautics fund.....	177,600
8	IDG from MDOT, state trunkline fund.....	2,429,200
9	IDG from MDSP.....	257,300
10	IDG from MDTMB.....	463,800
11	IDG from MDTMB, civil service commission.....	305,900
12	IDG from MDTMB, risk management revolving fund.....	1,468,400
13	IDG from Michigan state housing development authority	676,600
14	IDG from treasury.....	6,874,000
15	IDG from TED, Michigan strategic fund.....	179,100
16	Federal revenues:	
17	DAG, state administrative match grant/food stamps....	137,000
18	Federal funds.....	3,145,100
19	HHS, medical assistance, medigrant.....	384,800
20	HHS-OS, state Medicaid fraud control units.....	5,688,600
21	National criminal history improvement program.....	121,200
22	Special revenue funds:	
23	Antitrust enforcement collections.....	762,600
24	Attorney general's operations fund.....	767,000
25	Auto repair facilities fees.....	327,400
26	Franchise fees.....	382,400
27	Game and fish protection fund.....	751,100

1	Human trafficking commission fund.....	390,000
2	Lawsuit settlement proceeds fund.....	2,600,000
3	Liquor purchase revolving fund.....	1,459,200
4	Manufactured housing fees.....	250,600
5	Merit award trust fund.....	495,700
6	Michigan employment security act - administrative fund	2,241,500
7	Prisoner reimbursement.....	625,200
8	Prosecuting attorneys training fees.....	411,500
9	Public utility assessments.....	2,077,300
10	Real estate enforcement fund.....	100,700
11	Reinstatement fees.....	257,700
12	Retirement funds.....	1,042,200
13	Second injury fund.....	821,700
14	Self-insurers security fund.....	571,200
15	Silicosis and dust disease fund.....	225,700
16	State building authority revenue.....	120,900
17	State casino gaming fund.....	1,861,900
18	State lottery fund.....	345,100
19	Utility consumers fund.....	780,800
20	Waterways fund.....	140,000
21	Worker's compensation administrative revolving fund..	369,500
22	State general fund/general purpose.....	\$ 36,887,000
23	(3) INFORMATION TECHNOLOGY	
24	Information technology services and projects.....	\$ <u>1,553,600</u>
25	GROSS APPROPRIATION.....	\$ 1,553,600
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 1,553,600

1 **(4) ONE-TIME APPROPRIATIONS**

2	Full-time equated classified positions.....	4.5	
3	Prescription drug abuse enforcement--4.5 FTE positions		\$ <u>700,000</u>
4	GROSS APPROPRIATION.....		\$ 700,000
5	Appropriated from:		
6	State general fund/general purpose.....		\$ 700,000

7 **Sec. 103. DEPARTMENT OF CIVIL RIGHTS**

8 **(1) APPROPRIATION SUMMARY**

9	Full-time equated unclassified positions.....	6.0	
10	Full-time equated classified positions.....	131.0	
11	GROSS APPROPRIATION.....		\$ 16,621,900
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		293,600
15	ADJUSTED GROSS APPROPRIATION.....		\$ 16,328,300
16	Federal revenues:		
17	Total federal revenues.....		2,763,000
18	Special revenue funds:		
19	Total local revenues.....		0
20	Total private revenues.....		18,700
21	Total other state restricted revenues.....		151,900
22	State general fund/general purpose.....		\$ 13,394,700

23 **(2) CIVIL RIGHTS OPERATIONS**

24	Full-time equated unclassified positions.....	6.0	
25	Full-time equated classified positions.....	129.0	
26	Unclassified positions--6.0 FTE positions.....		\$ 660,300

1	Civil rights operations--121.0 FTE positions	13,831,700
2	Division on deaf and hard of hearing--6.0 FTE	
3	positions	798,600
4	Hispanic/Latino commission of Michigan--1.0 FTE	
5	position	261,000
6	Asian Pacific American affairs commission--1.0 FTE	
7	position	<u>112,400</u>
8	GROSS APPROPRIATION.....	\$ 15,664,000
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from DTMB.....	293,600
12	Federal revenues:	
13	EEOC, state and local antidiscrimination agency	
14	contracts	1,211,500
15	HUD, grant.....	1,536,500
16	Special revenue funds:	
17	Private revenues.....	18,700
18	Division on deafness fund.....	93,400
19	State restricted indirect funds.....	58,500
20	State general fund/general purpose.....	\$ 12,451,800
21	(3) INFORMATION TECHNOLOGY	
22	Information technology services and projects	<u>\$ 707,900</u>
23	GROSS APPROPRIATION.....	\$ 707,900
24	Appropriated from:	
25	Federal revenues:	
26	EEOC, state and local antidiscrimination agency	
27	contracts	15,000

1	State general fund/general purpose	\$	692,900
2	(4) ONE-TIME APPROPRIATIONS		
3	Full-time equated classified positions.....	2.0	
4	Division on deaf and hard of hearing--1.0 FTE		
5	position	\$	150,000
6	Commission on Middle Eastern American affairs--1.0 FTE		
7	position		<u>100,000</u>
8	GROSS APPROPRIATION.....	\$	250,000
9	Appropriated from:		
10	State general fund/general purpose	\$	250,000
11	Sec. 104. EXECUTIVE OFFICE		
12	(1) APPROPRIATION SUMMARY		
13	Full-time equated unclassified positions.....	10.0	
14	Full-time equated classified positions.....	74.2	
15	GROSS APPROPRIATION.....	\$	5,636,300
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers		0
19	ADJUSTED GROSS APPROPRIATION.....	\$	5,636,300
20	Federal revenues:		
21	Total federal revenues.....		0
22	Special revenue funds:		
23	Total local revenues.....		0
24	Total private revenues.....		0
25	Total other state restricted revenues.....		0
26	State general fund/general purpose	\$	5,636,300

1	(2) EXECUTIVE OFFICE OPERATIONS	
2	Full-time equated unclassified positions.....	10.0
3	Full-time equated classified positions.....	74.2
4	Governor.....	\$ 159,300
5	Lieutenant governor.....	111,600
6	Executive office--74.2 FTE positions.....	4,108,100
7	Unclassified positions--8.0 FTE positions.....	<u>1,257,300</u>
8	GROSS APPROPRIATION.....	\$ 5,636,300
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 5,636,300
11	Sec. 105. LEGISLATURE	
12	(1) APPROPRIATION SUMMARY	
13	GROSS APPROPRIATION.....	\$ 165,944,300
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and intradepartmental	
16	transfers	5,558,600
17	ADJUSTED GROSS APPROPRIATION.....	\$ 160,385,700
18	Federal revenues:	
19	Total federal revenues.....	0
20	Special revenue funds:	
21	Total local revenues.....	0
22	Total private revenues.....	400,000
23	Total other state restricted revenues.....	6,245,200
24	State general fund/general purpose.....	\$ 153,740,500
25	(2) LEGISLATURE	
26	Senate.....	\$ 34,523,700

1	Senate automated data processing.....		2,500,000
2	Senate fiscal agency.....		3,779,600
3	House of representatives.....		53,095,900
4	House automated data processing.....		2,200,000
5	House fiscal agency.....		<u>3,779,600</u>
6	GROSS APPROPRIATION.....	\$	99,878,800
7	Appropriated from:		
8	State general fund/general purpose.....	\$	99,878,800
9	(3) LEGISLATIVE COUNCIL		
10	Legislative council.....	\$	12,481,200
11	Legislative service bureau automated data processing .		1,426,600
12	Worker's compensation.....		151,400
13	National association dues.....		454,700
14	Legislative corrections ombudsman.....		854,200
15	Michigan veterans facility ombudsman.....		<u>150,000</u>
16	GROSS APPROPRIATION.....	\$	15,518,100
17	Appropriated from:		
18	Special revenue funds:		
19	Private - gifts and bequests revenues.....		400,000
20	State general fund/general purpose.....	\$	15,118,100
21	(4) LEGISLATIVE RETIREMENT SYSTEM		
22	General nonretirement expenses.....	\$	<u>4,962,800</u>
23	GROSS APPROPRIATION.....	\$	4,962,800
24	Appropriated from:		
25	Special revenue funds:		
26	Court fees.....		1,154,600
27	State general fund/general purpose.....	\$	3,808,200

1	(5) PROPERTY MANAGEMENT	
2	Cora Anderson building.....	\$ 11,426,700
3	Farnum building and other properties.....	<u>2,851,800</u>
4	GROSS APPROPRIATION.....	\$ 14,278,500
5	Appropriated from:	
6	State general fund/general purpose.....	\$ 14,278,500
7	(6) STATE CAPITOL HISTORIC SITE	
8	General operations.....	\$ 4,269,200
9	Restoration, renewal, and maintenance.....	<u>3,121,200</u>
10	GROSS APPROPRIATION.....	\$ 7,390,400
11	Appropriated from:	
12	Special revenue funds:	
13	Capitol historic site fund.....	3,121,200
14	State general fund/general purpose.....	\$ 4,269,200
15	(7) OFFICE OF THE AUDITOR GENERAL	
16	Unclassified positions.....	\$ 329,400
17	Field operations.....	<u>23,586,300</u>
18	GROSS APPROPRIATION.....	\$ 23,915,700
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from MDHHS, human services.....	30,600
22	IDG from MDLARA, liquor purchase revolving fund.....	28,700
23	IDG from MDOT, comprehensive transportation fund.....	39,000
24	IDG from MDOT, Michigan transportation fund.....	315,800
25	IDG from MDOT, state aeronautics fund.....	30,300
26	IDG from MDOT, state trunkline fund.....	733,500
27	IDG, legislative retirement system.....	29,200

1	IDG, single audit act.....	2,913,100
2	IDG, commercial mobile radio system emergency	
3	telephone fund	36,800
4	IDG, contract audit administration fees.....	41,400
5	IDG, deferred compensation funds.....	54,400
6	IDG, Michigan finance authority.....	330,800
7	IDG, Michigan economic development corporation.....	96,300
8	IDG, Michigan education trust fund.....	70,800
9	IDG, Michigan justice training commission fund.....	40,900
10	IDG, Michigan strategic fund.....	169,100
11	IDG, office of retirement services.....	218,400
12	IDG, other restricted funding sources.....	379,500
13	Special revenue funds:	
14	21st century jobs trust fund.....	96,300
15	Brownfield development fund.....	28,100
16	Clean Michigan initiative implementation bond fund...	54,500
17	Game and fish protection fund.....	31,300
18	MDTMB, civil service commission.....	166,200
19	Michigan state housing development authority fees....	113,500
20	Michigan veterans' trust fund.....	35,500
21	Motor transport revolving fund.....	7,400
22	Office services revolving fund.....	10,000
23	State disbursement unit, office of child support.....	57,400
24	State services fee fund.....	1,357,900
25	Waterways fund.....	11,300
26	State general fund/general purpose.....	\$ 16,387,700

1 **Sec. 106. DEPARTMENT OF STATE**

2 **(1) APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions..... 6.0
 4 Full-time equated classified positions..... 1,587.0
 5 GROSS APPROPRIATION..... \$ 253,015,600

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and intradepartmental
 8 transfers 20,000,000

9 ADJUSTED GROSS APPROPRIATION..... \$ 233,015,600

10 Federal revenues:

11 Total federal revenues..... 1,460,000

12 Special revenue funds:

13 Total local revenues..... 5,000,000

14 Total private revenues..... 100

15 Total other state restricted revenues..... 204,445,900

16 State general fund/general purpose..... \$ 22,109,600

17 **(2) EXECUTIVE DIRECTION**

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

19 Full-time equated classified positions..... 30.0

20 Secretary of state..... \$ 112,500

21 Unclassified positions--5.0 FTE positions..... 628,800

22 Operations--30.0 FTE positions..... 4,567,200

23 GROSS APPROPRIATION..... \$ 5,308,500

24 Appropriated from:

25 Special revenue funds:

26 Auto repair facilities fees..... 68,700

27 Children's protection registry fund..... 270,700

1	Driver fees.....		276,000
2	Enhanced driver license and enhanced official state		
3	personal identification card fund.....		216,700
4	Expedient service fees.....		66,300
5	Parking ticket court fines.....		9,200
6	Personal identification card fees.....		32,300
7	Reinstatement fees - operator licenses.....		248,900
8	Transportation administration collection fund.....		2,499,800
9	Vehicle theft prevention fees.....		40,400
10	State general fund/general purpose.....	\$	1,579,500
11	(3) DEPARTMENT SERVICES		
12	Full-time equated classified positions.....	117.0	
13	Operations--117.0 FTE positions.....	\$	<u>25,315,100</u>
14	GROSS APPROPRIATION.....	\$	25,315,100
15	Appropriated from:		
16	Special revenue funds:		
17	Abandoned vehicle fees.....		481,100
18	Driver fees.....		731,000
19	Driver improvement course fund.....		308,600
20	Enhanced driver license and enhanced official state		
21	personal identification card fund.....		329,400
22	Expedient service fees.....		273,600
23	Marine safety fund.....		85,200
24	Personal identification card fees.....		193,700
25	Reinstatement fees - operator licenses.....		537,700
26	Scrap tire fund.....		78,100
27	Transportation administration collection fund.....		21,714,300

1	State general fund/general purpose.....	\$	582,400
2	(4) LEGAL SERVICES		
3	Full-time equated classified positions.....		83.0
4	Operations--83.0 FTE positions.....	\$	<u>14,501,500</u>
5	GROSS APPROPRIATION.....	\$	14,501,500
6	Appropriated from:		
7	Special revenue funds:		
8	Auto repair facilities fees.....		3,363,800
9	Driver education provider and instructor fund.....		25,400
10	Driver fees.....		2,193,800
11	Driver responsibility fees.....		1,000,000
12	Enhanced driver license and enhanced official state		
13	personal identification card fund.....		504,900
14	Personal identification card fees.....		61,700
15	Reinstatement fees - operator licenses.....		1,463,900
16	Transportation administration collection fund.....		4,311,100
17	Vehicle theft prevention fees.....		1,092,600
18	State general fund/general purpose.....	\$	484,300
19	(5) CUSTOMER DELIVERY SERVICES		
20	Full-time equated classified positions.....		1,312.0
21	Branch operations--922.0 FTE positions.....	\$	85,709,100
22	Central operations--388.0 FTE positions.....		50,115,300
23	Motorcycle safety education administration--2.0 FTE		
24	positions.....		335,500
25	Motorcycle safety education grants.....		1,800,000
26	Credit and debit assessment services.....		6,000,000
27	Organ donor program.....		<u>129,100</u>

1	GROSS APPROPRIATION.....	\$	144,089,000
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDOT, Michigan transportation fund.....		20,000,000
5	Federal revenues:		
6	Federal funds.....		1,460,000
7	Special revenue funds:		
8	Private funds.....		100
9	Abandoned vehicle fees.....		204,500
10	Auto repair facilities fees.....		910,400
11	Child support clearance fees.....		363,600
12	Credit and debit assessment service fee revenue.....		6,000,000
13	Driver education provider and instructor fund.....		49,600
14	Driver fees.....		25,355,100
15	Driver improvement course fund.....		1,246,200
16	Enhanced driver license and enhanced official state		
17	personal identification card fund.....		9,021,200
18	Expedient service fees.....		2,603,600
19	Marine safety fund.....		1,420,400
20	Michigan state police auto theft fund.....		123,700
21	Mobile home commission fees.....		507,500
22	Motorcycle safety fund.....		1,835,500
23	Off-road vehicle title fees.....		170,400
24	Parking ticket court fines.....		1,629,800
25	Personal identification card fees.....		2,319,700
26	Recreation passport fee revenue.....		1,000,000
27	Reinstatement fees - operator licenses.....		2,358,000

1	Snowmobile registration fee revenue.....	390,000
2	Thomas Daley gift of life fund.....	50,000
3	Transportation administration collection fund.....	60,920,300
4	Vehicle theft prevention fees.....	742,200
5	State general fund/general purpose.....	\$ 3,407,200
6	(6) ELECTION REGULATION	
7	Full-time equated classified positions..... 45.0	
8	Election administration and services--45.0 FTE	
9	positions	\$ 7,169,100
10	County clerk education and training fund.....	100,000
11	Fees to local units.....	<u>109,800</u>
12	GROSS APPROPRIATION.....	\$ 7,378,900
13	Appropriated from:	
14	Special revenue funds:	
15	Notary education and training fund.....	100,000
16	Notary fee fund.....	343,500
17	State general fund/general purpose.....	\$ 6,935,400
18	(7) DEPARTMENTWIDE APPROPRIATIONS	
19	Building occupancy charges/rent.....	\$ 9,792,000
20	Worker's compensation.....	<u>254,400</u>
21	GROSS APPROPRIATION.....	\$ 10,046,400
22	Appropriated from:	
23	Special revenue funds:	
24	Auto repair facilities fees.....	133,200
25	Driver fees.....	708,800
26	Enhanced driver license and enhanced official state	
27	personal identification card fund.....	326,000

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

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

3 **(1) APPROPRIATION SUMMARY**

4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	2,856.0	
6	GROSS APPROPRIATION.....		\$ 1,291,883,100
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		694,054,100
10	ADJUSTED GROSS APPROPRIATION.....		\$ 597,829,000
11	Federal revenues:		
12	Total federal revenues.....		4,958,200
13	Special revenue funds:		
14	Total local revenues.....		2,320,000
15	Total private revenues.....		0
16	Total other state restricted revenues.....		114,340,800
17	State general fund/general purpose.....		\$ 476,210,000
18	(2) EXECUTIVE DIRECTION		
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	12.0	
21	Unclassified positions--6.0 FTE positions.....		\$ 1,001,400
22	Executive operations--12.0 FTE positions.....		<u>2,376,000</u>
23	GROSS APPROPRIATION.....		\$ 3,377,400
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from building occupancy and parking charges.....		249,700
27	IDG from technology user fees.....		2,074,400

1	Special revenue funds:		
2	Special revenue, internal service, and pension trust		
3	funds		289,200
4	State general fund/general purpose	\$	764,100
5	(3) DEPARTMENT SERVICES		
6	Full-time equated classified positions.....	720.5	
7	Administrative services--138.5 FTE positions	\$	18,889,400
8	Budget and financial management--135.0 FTE positions .		17,913,100
9	Office of the state employer--23.0 FTE positions		3,417,300
10	Design and construction services--40.0 FTE positions .		6,477,000
11	Business support services--97.0 FTE positions		11,469,600
12	Building operation services--210.0 FTE positions		92,416,200
13	Building occupancy charges, rent, and utilities		7,494,200
14	Motor vehicle fleet--35.0 FTE positions		74,260,100
15	Information technology services and projects		32,630,500
16	Bureau of labor market information and strategies--		
17	42.0 FTE positions		<u>5,475,100</u>
18	GROSS APPROPRIATION	\$	270,442,500
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from accounting service centers user charges		2,698,000
22	IDG from building occupancy and parking charges		94,647,900
23	IDG from MDHHS, community health.....		484,500
24	IDG from MDHHS, human services.....		215,400
25	IDG from MDLARA.....		100,000
26	IDG from motor transport fund.....		74,260,100
27	IDG from technology user fees.....		7,658,600

1	IDG from user fees.....		6,754,000
2	Federal revenues:		
3	Federal funds.....		4,958,200
4	Special revenue funds:		
5	Local - MPSCS subscriber and maintenance fees.....		61,700
6	Local revenues.....		35,000
7	Deferred compensation.....		2,600
8	Health management funds.....		2,257,200
9	MAIN user charges.....		4,337,600
10	Other agency charges.....		1,178,700
11	Pension trust funds.....		10,082,000
12	Special revenue, internal service, and pension trust		
13	funds		17,168,300
14	State restricted indirect funds.....		3,392,200
15	State general fund/general purpose.....	\$	40,150,500
16	(4) TECHNOLOGY SERVICES		
17	Full-time equated classified positions.....	1,481.5	
18	Education services--29.0 FTE positions.....		\$ 4,106,500
19	Health and human services--617.5 FTE positions.....		291,972,300
20	Public protection--154.5 FTE positions.....		55,832,600
21	Resources services--146.5 FTE positions.....		20,283,500
22	Transportation services--89.5 FTE positions.....		31,739,300
23	General services--331.5 FTE positions.....		98,027,300
24	Enterprisewide information technology investment		
25	projects		11,672,400
26	General government and public safety information		
27	technology investment projects.....		13,683,400

1	Health and human services information technology	
2	investment projects	5,033,900
3	MAIN system replacement information technology	
4	investment project	32,610,300
5	Cyber security information technology investment	
6	project	2,000,000
7	Homeland security initiative/cyber security--13.0 FTE	
8	positions	11,118,200
9	Michigan public safety communication system--100.0 FTE	
10	positions	<u>40,094,800</u>
11	GROSS APPROPRIATION.....	\$ 618,174,500
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from technology user fees.....	501,961,500
15	Special revenue funds:	
16	Local - MPSCS subscriber and maintenance fees.....	2,223,300
17	State general fund/general purpose.....	\$ 113,989,700
18	(5) STATEWIDE APPROPRIATIONS	
19	Professional development fund - NERE.....	\$ 250,000
20	Professional development fund - UAW.....	<u>700,000</u>
21	GROSS APPROPRIATION.....	\$ 950,000
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from employer contributions.....	950,000
25	State general fund/general purpose.....	\$ 0
26	(6) SPECIAL PROGRAMS	
27	Full-time equated classified positions.....	192.0

1	Building occupancy charges - property management		
2	services for executive/legislative building		
3	occupancy	\$	1,154,500
4	Retirement services--167.0 FTE positions		28,724,900
5	Office of children's ombudsman--14.0 FTE positions ...		1,801,600
6	School reform office operations--11.0 FTE positions ..		2,318,300
7	Public private partnership.....		1,500,000
8	Regional prosperity grants.....		<u>2,500,000</u>
9	GROSS APPROPRIATION.....	\$	37,999,300
10	Appropriated from:		
11	Special revenue funds:		
12	Deferred compensation.....		2,800,000
13	Pension trust funds.....		20,548,100
14	Public private partnership investment fund.....		1,500,000
15	State general fund/general purpose.....	\$	13,151,200
16	(7) STATE BUILDING AUTHORITY RENT		
17	State building authority rent - state agencies	\$	49,665,800
18	State building authority rent - department of		
19	corrections		21,029,900
20	State building authority rent - universities		144,995,300
21	State building authority rent - community colleges ...		<u>30,879,600</u>
22	GROSS APPROPRIATION.....	\$	246,570,600
23	Appropriated from:		
24	State general fund/general purpose.....	\$	246,570,600
25	(8) CIVIL SERVICE COMMISSION		
26	Full-time equated classified positions..... 450.0		
27	Agency services--74.0 FTE positions.....	\$	13,103,100

1	Executive direction--40.0 FTE positions	8,894,300
2	Employee benefits--16.0 FTE positions	5,704,000
3	Human resources operations--320.0 FTE positions	38,463,100
4	Information technology services and projects	<u>3,354,300</u>
5	GROSS APPROPRIATION.....	\$ 69,518,800
6	Appropriated from:	
7	Special revenue funds:	
8	State restricted funds 1%	30,702,500
9	State restricted indirect funds	8,592,200
10	State sponsored group insurance	8,640,200
11	State general fund/general purpose	\$ 21,583,900
12	(9) CAPITAL OUTLAY	
13	Major special maintenance, remodeling, and addition	
14	for state agencies	\$ 2,000,000
15	Enterprisewide special maintenance for state	
16	facilities	<u>26,000,000</u>
17	GROSS APPROPRIATION.....	\$ 28,000,000
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from building occupancy charges	2,000,000
21	State general fund/general purpose	\$ 26,000,000
22	(10) ONE-TIME BASIS ONLY APPROPRIATIONS	
23	ITIF one-time augmentation.....	\$ 7,000,000
24	Enterprisewide special maintenance for state	
25	facilities	7,000,000
26	ORS IT modernization and enterprise mandates	<u>2,850,000</u>
27	GROSS APPROPRIATION.....	\$ 16,850,000

1 Appropriated from:
 2 Special revenue funds:
 3 Pension trust funds..... 2,850,000
 4 State general fund/general purpose..... \$ 14,000,000

5 **Sec. 108. DEPARTMENT OF TREASURY**

6 **(1) APPROPRIATION SUMMARY**

7 Full-time equated unclassified positions..... 10.0
 8 Full-time equated classified positions..... 1,902.5
 9 GROSS APPROPRIATION..... \$ 1,910,497,400
 10 Interdepartmental grant revenues:
 11 Total interdepartmental grants and intradepartmental
 12 transfers 11,262,300
 13 ADJUSTED GROSS APPROPRIATION..... \$ 1,899,235,100
 14 Federal revenues:
 15 Total federal revenues..... 39,920,800
 16 Special revenue funds:
 17 Total local revenues..... 9,201,000
 18 Total private revenues..... 26,700
 19 Total other state restricted revenues..... 1,615,956,100
 20 State general fund/general purpose..... \$ 234,130,500

21 **(2) EXECUTIVE DIRECTION**

22 Full-time equated unclassified positions..... 10.0
 23 Full-time equated classified positions..... 48.0
 24 Unclassified positions--10.0 FTE positions..... \$ 995,500
 25 Executive direction and operations--48.0 FTE positions 8,578,400
 26 GROSS APPROPRIATION..... \$ 9,573,900

1	Appropriated from:		
2	Federal revenues:		
3	DED-OPSE, federal lenders allowance		20,000
4	DED-OPSE, higher education act of 1965 insured loans .		45,000
5	Special revenue funds:		
6	Local - city income tax fund.....		101,900
7	Delinquent tax collection revenue.....		2,159,800
8	State lottery fund.....		288,700
9	State services fee fund.....		328,200
10	State general fund/general purpose.....	\$	6,630,300
11	(3) DEPARTMENTWIDE APPROPRIATIONS		
12	Rent and building occupancy charges - property		
13	management services	\$	6,047,400
14	Worker's compensation insurance premium.....		<u>36,400</u>
15	GROSS APPROPRIATION.....	\$	6,083,800
16	Appropriated from:		
17	Special revenue funds:		
18	Delinquent tax collection revenue.....		2,890,600
19	State general fund/general purpose.....	\$	3,193,200
20	(4) LOCAL GOVERNMENT PROGRAMS		
21	Full-time equated classified positions..... 111.0		
22	Supervision of the general property tax law--86.0 FTE		
23	positions	\$	13,990,200
24	Property tax assessor training--4.0 FTE positions		1,040,400
25	Local finance--21.0 FTE positions.....		<u>2,607,000</u>
26	GROSS APPROPRIATION.....	\$	17,637,600
27	Appropriated from:		

1	Special revenue funds:		
2	Local - assessor training fees		1,040,400
3	Local - audit charges		825,800
4	Local - equalization study charge-backs		40,000
5	Local - revenue from local government		100,000
6	Land reutilization fund		2,044,000
7	Municipal finance fees		544,900
8	Delinquent tax collection revenue		1,514,700
9	State general fund/general purpose	\$	11,527,800
10	(5) TAX PROGRAMS		
11	Full-time equated classified positions.....	774.0	
12	Tax compliance--340.0 FTE positions		\$ 45,075,300
13	Tax and economic policy--75.0 FTE positions		11,570,600
14	Tax processing--331.0 FTE positions		37,376,900
15	Health insurance claims fund program--15.0 FTE		
16	positions		2,070,500
17	Home heating assistance		3,086,200
18	Bottle act implementation		250,000
19	Tobacco tax enforcement--13.0 FTE positions		<u>1,509,100</u>
20	GROSS APPROPRIATION		\$ 100,938,600
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from MDOT, Michigan transportation fund		2,284,100
24	IDG from MDOT, state aeronautics fund		72,200
25	Federal revenues:		
26	HHS-SSA, low-income energy assistance		3,086,200
27	Special revenue funds:		

1	Bottle deposit fund.....		250,000
2	Delinquent tax collection revenue.....		70,557,200
3	Emergency 911 fund.....		158,700
4	Health insurance claims fund.....		2,070,500
5	Tobacco tax revenue.....		4,109,300
6	Waterways fund.....		107,100
7	State general fund/general purpose.....	\$	18,243,300
8	(6) FINANCIAL AND ADMINISTRATIVE SERVICES		
9	Full-time equated classified positions.....	381.0	
10	Departmental services--88.0 FTE positions.....	\$	9,180,500
11	Unclaimed property--29.0 FTE positions.....		4,835,300
12	Office of collections--202.0 FTE positions.....		26,255,100
13	Office of accounting services--24.0 FTE positions....		2,491,400
14	Office of financial services--38.0 FTE positions.....		<u>4,478,500</u>
15	GROSS APPROPRIATION.....	\$	47,240,800
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG, levy/warrant cost assessment fees.....		2,335,000
19	IDG, state agency collection fees.....		4,353,400
20	IDG from MDHHS, title IV-D.....		776,000
21	IDG data/collection service fees.....		336,600
22	IDG from accounting service center user charges.....		494,500
23	Special revenue funds:		
24	Delinquent tax collection revenue.....		27,387,100
25	Escheats revenue.....		4,835,300
26	Justice system fund.....		428,100
27	Garnishment fees.....		2,638,600

1	State restricted indirect funds.....		278,600
2	Treasury fees.....		47,200
3	State general fund/general purpose.....	\$	3,330,400
4	(7) FINANCIAL PROGRAMS		
5	Full-time equated classified positions.....	210.5	
6	Investments--82.0 FTE positions.....	\$	20,594,200
7	Common cash and debt management--21.5 FTE positions ..		1,666,200
8	Student financial assistance programs--25.5 FTE		
9	positions		2,683,300
10	Michigan finance authority - bond finance--72.5 FTE		
11	positions		38,856,600
12	John R. Justice grant program.....		288,100
13	Dual enrollment payments.....		1,507,600
14	Financial independence team--9.0 FTE positions		<u>3,729,500</u>
15	GROSS APPROPRIATION.....	\$	69,325,500
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG, fiscal agent service fees.....		210,500
19	Federal revenues:		
20	DED-OPSE, federal lenders allowance.....		10,686,100
21	DED-OPSE, higher education act of 1965, insured loans		25,169,600
22	Federal - John R. Justice grant.....		288,100
23	Special revenue funds:		
24	Defined contribution administrative fee revenue.....		100,000
25	Michigan finance authority bond and loan program		
26	revenue		2,944,600
27	Michigan merit award trust fund.....		1,163,800

1	Retirement funds.....		19,016,000
2	School bond fees.....		854,300
3	Treasury fees.....		1,694,600
4	State general fund/general purpose.....	\$	7,197,900
5	(8) DEBT SERVICE		
6	Quality of life bond.....	\$	28,687,000
7	Clean Michigan initiative.....		89,477,000
8	Great Lakes water quality bond.....		<u>18,873,000</u>
9	GROSS APPROPRIATION.....	\$	137,037,000
10	Appropriated from:		
11	State general fund/general purpose.....	\$	137,037,000
12	(9) GRANTS		
13	Convention facility development distribution.....	\$	90,950,000
14	Senior citizen cooperative housing tax exemption		
15	program		10,520,000
16	Emergency 911 payments.....		27,000,000
17	Health and safety fund grants.....		9,000,000
18	Urban search and rescue task force.....		500,000
19	Impaired driving safety commission.....		500,000
20	Beat the streets.....		<u>100,000</u>
21	GROSS APPROPRIATION.....	\$	138,570,000
22	Appropriated from:		
23	Special revenue funds:		
24	Emergency 911 fund.....		27,000,000
25	Convention facility development fund.....		90,950,000
26	Health and safety fund.....		9,000,000
27	State general fund/general purpose.....	\$	11,620,000

1	(10) BUREAU OF STATE LOTTERY		
2	Full-time equated classified positions.....	183.0	
3	Lottery operations--183.0 FTE positions.....		\$ 24,760,300
4	Lottery information technology services and projects .		<u>5,239,600</u>
5	GROSS APPROPRIATION.....		\$ 29,999,900
6	Appropriated from:		
7	Special revenue funds:		
8	State lottery fund.....		29,999,900
9	State general fund/general purpose.....		\$ 0
10	(11) CASINO GAMING		
11	Full-time equated classified positions.....	142.0	
12	Michigan gaming control board.....		\$ 50,000
13	Casino gaming control operations--132.0 FTE positions		26,196,700
14	Casino gaming information technology services and		
15	projects		2,512,700
16	Racing commission--10.0 FTE positions.....		<u>1,962,600</u>
17	GROSS APPROPRIATION.....		\$ 30,722,000
18	Appropriated from:		
19	Special revenue funds:		
20	Casino gambling agreements.....		942,700
21	Equine development fund.....		2,085,300
22	Laboratory fees.....		700,000
23	State services fee fund.....		26,994,000
24	State general fund/general purpose.....		\$ 0
25	(12) PAYMENTS IN LIEU OF TAXES		
26	Commercial forest reserve.....		\$ 3,368,100
27	Purchased lands.....		8,425,100

1	Swamp and tax reverted lands.....		<u>15,605,600</u>
2	GROSS APPROPRIATION.....	\$	27,398,800
3	Appropriated from:		
4	Special revenue funds:		
5	Private funds.....		26,700
6	Game and fish protection fund.....		2,919,700
7	Michigan natural resources trust fund.....		2,004,600
8	Michigan state waterways fund.....		253,200
9	State general fund/general purpose.....	\$	22,194,600
10	(13) REVENUE SHARING		
11	Constitutional state general revenue sharing grants ..	\$	781,501,400
12	County revenue sharing payments.....		172,134,000
13	County incentive program.....		43,033,500
14	City, village, and township revenue sharing.....		248,840,000
15	Financially distressed cities, villages, or townships		<u>5,000,000</u>
16	GROSS APPROPRIATION.....	\$	1,250,508,900
17	Appropriated from:		
18	Special revenue funds:		
19	Sales tax.....		1,250,508,900
20	State general fund/general purpose.....	\$	0
21	(14) STATE BUILDING AUTHORITY		
22	Full-time equated classified positions.....	4.0	
23	State building authority--4.0 FTE positions.....	\$	<u>725,200</u>
24	GROSS APPROPRIATION.....	\$	725,200
25	Appropriated from:		
26	Special revenue funds:		
27	State building authority revenue.....		725,200

1	State general fund/general purpose.....	\$	0
2	(15) CITY INCOME TAX ADMINISTRATION PROGRAM		
3	Full-time equated classified positions.....	49.0	
4	City income tax administration program--49.0 FTE		
5	positions	\$	<u>5,879,100</u>
6	GROSS APPROPRIATION.....	\$	5,879,100
7	Appropriated from:		
8	Special revenue funds:		
9	Local - city income tax fund.....		5,879,100
10	State general fund/general purpose.....	\$	0
11	(16) INFORMATION TECHNOLOGY		
12	Treasury operations information technology services		
13	and projects	\$	<u>30,813,800</u>
14	GROSS APPROPRIATION.....	\$	30,813,800
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from MDOT, Michigan transportation fund.....		400,000
18	Federal revenues:		
19	DED-OPSE, federal lender allowance.....		625,800
20	Special revenue funds:		
21	Local - city income tax fund.....		1,213,800
22	Delinquent tax collection revenue.....		17,365,400
23	Retirement funds.....		766,300
24	Tobacco tax revenue.....		129,000
25	State general fund/general purpose.....	\$	10,313,500
26	(17) ONE-TIME APPROPRIATIONS		
27	Competitive grant assistance program.....	\$	5,200,000

1	Free individual tax e-file.....		<u>2,842,500</u>
2	GROSS APPROPRIATION.....	\$	8,042,500
3	Appropriated from:		
4	Special revenue funds:		
5	Sales tax.....		5,200,000
6	State general fund/general purpose.....	\$	2,842,500
7	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT		
8	(1) APPROPRIATION SUMMARY		
9	Full-time equated unclassified positions.....	6.0	
10	Full-time equated classified positions.....	1,609.0	
11	GROSS APPROPRIATION.....	\$	1,122,494,400
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION.....	\$	1,122,494,400
16	Federal revenues:		
17	Total federal revenues.....		773,944,800
18	Special revenue funds:		
19	Total local revenues.....		500,000
20	Total private revenues.....		5,619,000
21	Total other state restricted revenues.....		192,341,600
22	State general fund/general purpose.....	\$	150,089,000
23	(2) DEPARTMENTAL ADMINISTRATION		
24	Full-time equated unclassified positions.....	6.0	
25	Full-time equated classified positions.....	1.0	
26	Unclassified positions--6.0 FTE positions.....	\$	897,400

1	Executive director programs--1.0 FTE position		<u>812,900</u>
2	GROSS APPROPRIATION.....	\$	1,710,300
3	Appropriated from:		
4	Federal revenues:		
5	DOL-ETA, unemployment insurance		931,600
6	DOL, federal funds.....		247,600
7	Special revenue funds:		
8	Michigan state housing development authority fees and		
9	charges		400,800
10	State general fund/general purpose.....	\$	130,300
11	(3) MICHIGAN STRATEGIC FUND		
12	Full-time equated classified positions.....	194.0	
13	Administrative services--34.0 FTE positions	\$	5,743,600
14	Job creation services--160.0 FTE positions		22,198,400
15	Pure Michigan.....		33,000,000
16	Entrepreneurship ecosystem.....		19,400,000
17	Business attraction and community revitalization		102,500,000
18	Community development block grants.....		47,000,000
19	Arts and cultural program.....		10,150,000
20	Community college skilled trades equipment program		
21	debt service		4,600,000
22	Facility for rare isotope beams		<u>7,300,000</u>
23	GROSS APPROPRIATION.....	\$	251,892,000
24	Appropriated from:		
25	Federal revenues:		
26	DOL, federal funds.....		2,326,300
27	DOL-ETA, unemployment insurance		287,000

1	HUD-CPD community development block grant		49,773,300
2	NFAH-NEA, promotion of the arts, partnership		
3	agreements		1,050,000
4	Special revenue funds:		
5	Private - special project advances		250,000
6	Private - Michigan council for the arts fund		100,000
7	Industry support fees		5,500
8	21st century jobs trust fund		75,000,000
9	Michigan film promotion fund		400,000
10	Michigan state housing development authority fees and		
11	charges		4,609,000
12	State general fund/general purpose	\$	118,090,900
13	(4) TALENT INVESTMENT AGENCY		
14	Full-time equated classified positions.....	1,092.0	
15	Executive direction--7.0 FTE positions		\$ 1,175,600
16	Workforce program administration--225.0 FTE positions		33,169,900
17	Workforce development programs		387,022,900
18	Skilled trades training program		30,600,000
19	Community ventures		9,800,000
20	Unemployment insurance agency--853.0 FTE positions ...		139,065,500
21	Information technology services and projects - TIA ...		<u>22,501,000</u>
22	GROSS APPROPRIATION	\$	623,334,900
23	Appropriated from:		
24	Federal revenues:		
25	DAG, employment and training		3,499,400
26	DED-OESE, GEAR-UP		4,730,700
27	DED-OVAE, adult education		20,000,000

1	DED-OVAE, basic grants to states.....	19,000,000
2	DOL, federal funds.....	109,353,800
3	DOL-ETA, workforce investment act.....	173,988,600
4	DOL-ETA, unemployment insurance.....	139,457,500
5	Federal funds.....	5,940,200
6	Social security act, temporary assistance to needy	
7	families	64,898,800
8	Special revenue funds:	
9	Local revenues.....	500,000
10	Private funds.....	5,269,000
11	Contingent fund, penalty and interest account.....	48,635,300
12	Defaulted loan collection fees.....	152,500
13	State general fund/general purpose.....	\$ 27,909,100
14	(5) LAND BANK FAST TRACK AUTHORITY	
15	Full-time equated classified positions..... 6.0	
16	Land bank fast track authority--6.0 FTE positions	\$ <u>5,256,400</u>
17	GROSS APPROPRIATION.....	\$ 5,256,400
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues.....	1,000,000
21	Special revenue funds:	
22	Land bank fast track fund.....	297,800
23	State general fund/general purpose.....	\$ 3,958,600
24	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
25	Full-time equated classified positions..... 316.0	
26	Payments on behalf of tenants.....	\$ 166,860,000
27	Housing and rental assistance--316.0 FTE positions ...	51,248,200

1	Lighthouse preservation program.....	307,500
2	Rent and administrative support.....	3,721,000
3	Information technology services and projects - MSHDA .	<u>3,585,500</u>
4	GROSS APPROPRIATION.....	\$ 225,722,200
5	Appropriated from:	
6	Federal funds:	
7	HUD, lower income housing assistance.....	166,860,000
8	Special revenue funds:	
9	Michigan state housing development authority fees and	
10	charges	58,554,700
11	Michigan lighthouse preservation program.....	307,500
12	State general fund/general purpose.....	\$ 0
13	(7) ONE-TIME BASIS ONLY APPROPRIATIONS	
14	Statewide data system integration.....	\$ 8,778,500
15	Financial literacy pilot.....	5,800,000
16	Sustainable employment pilot program.....	<u>100</u>
17	GROSS APPROPRIATION.....	\$ 14,578,600
18	Appropriated from:	
19	Federal revenues:	
20	Federal funds.....	4,800,000
21	Social security act, temporary assistance to needy	
22	families	5,800,000
23	Special revenue funds:	
24	Contingent fund, penalty and interest account.....	3,978,500
25	State general fund/general purpose.....	\$ 100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$3,248,111,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,454,415,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

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

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption.....	\$	10,520,000
Health and safety fund grants.....		9,000,000
Constitutional state general revenue sharing grants ..		781,501,400
City, village, and township revenue sharing.....		248,840,000
Competitive grant assistance program.....		5,200,000
Convention facility development fund distribution....		90,950,000
Emergency 9-1-1 payments.....		23,800,000
Financially distressed cities, villages, or townships		5,000,000
County incentive program.....		43,033,500
County revenue sharing payments.....		172,134,000

1	Airport parking distribution pursuant to section 909 .	24,601,900
2	Payments in lieu of taxes.....	<u>27,398,800</u>
3	Subtotal.....	\$ 1,441,979,600
4	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
5	Welfare-to-work programs.....	\$ <u>11,224,800</u>
6	Subtotal.....	\$ <u>11,224,800</u>
7	TOTAL GENERAL GOVERNMENT.....	\$ 1,454,415,700

8 (2) Pursuant to section 30 of article IX of the state
9 constitution of 1963, total state spending from state sources for
10 fiscal year 2016-2017 is estimated at \$31,041,254,100.00 in the
11 2016-2017 appropriations acts and total state spending from state
12 sources paid to local units of government for fiscal year 2016-2017
13 is estimated at \$17,235,151,600.00. The state-local proportion is
14 estimated at 55.5% of total state spending from state resources.

15 (3) If payments to local units of government and state
16 spending from state sources for fiscal year 2016-2017 are different
17 than the amounts estimated in subsection (2), the state budget
18 director shall report the payments to local units of government and
19 state spending from state sources that were made for fiscal year
20 2016-2017 to the senate and house of representatives standing
21 committees on appropriations within 30 days after the final book-
22 closing for fiscal year 2016-2017.

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

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

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

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

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

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

5 (v) "IDG" means interdepartmental grant.

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

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

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

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

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

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

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

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

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

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

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

23 (hh) "MEDC" means the Michigan economic development
24 corporation, which is the public body corporate created under
25 section 28 of article VII of the state constitution of 1963 and the
26 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
27 124.512, by contractual interlocal agreement effective April 5,

1 1999, between local participating economic development corporations
2 formed under the economic development corporations act, 1974 PA
3 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

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

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

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

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

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

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

12 (oo) "PA" means public act.

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

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

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

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

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

18 Sec. 206. The departments and agencies receiving
19 appropriations in part 1 shall cooperate with the department of
20 technology, management, and budget to maintain a searchable website
21 that is updated at least quarterly and that is accessible by the
22 public at no cost that includes, but is not limited to, all of the
23 following for each department or agency:

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 Sec. 207. In addition to the metrics required under section
6 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
7 each new program or program enhancement for which funds in excess
8 of \$500,000.00 are appropriated in part 1, the department shall
9 provide not later than November 1, a list of program-specific
10 metrics intended to measure its performance based on a return on
11 taxpayer investment. The department shall deliver the program-
12 specific metrics to members of the senate and house subcommittees
13 that have subject matter jurisdiction for this budget, fiscal
14 agencies, and the state budget director. The department shall
15 provide an update on its progress in tracking program-specific
16 metrics and the status of program success at an appropriations
17 subcommittee meeting called for by the subcommittee chair.

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

24 Sec. 209. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if
26 competitively priced and of comparable quality American goods or
27 services, or both, are available. Preference shall be given to

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

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

14 Sec. 211. (1) Pursuant to section 352 of the management and
 15 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
 16 of state general fund revenue into or out of the countercyclical
 17 budget and economic stabilization fund, the calculations required
 18 by section 352 of the management and budget act, 1984 PA 431, MCL
 19 18.1352, are determined as follows:

	<u>2015</u>	<u>2016</u>	<u>2017</u>
20			
21 Michigan personal income (millions).	\$420,279	\$438,771	\$457,200
22 less: transfer payments.....	<u>91,444</u>	<u>95,376</u>	<u>99,573</u>
23 Subtotal	\$328,835	\$343,395	\$357,627
24 Divided by: Detroit consumer price			
25 index for 12 months ending June 30	2.195	2.204	2.248
26 Equals: real adjusted Michigan			
27 personal income.....	\$149,811	\$155,821	\$159,097

1	Percentage change.....	N/A	4.0%	2.1%
2	Growth rate in excess of 2%?.....	N/A	2.0%	0.1%
3	Equals: countercyclical budget and			
4	economic stabilization fund pay-in			
5	calculation for the fiscal year ending			
6	September 30, 2017 (millions).....	N/A	\$196.9	10.2
7	Growth rate less than 0%?.....	N/A	NO	NO
8	Equals: countercyclical budget and			
9	economic stabilization fund pay-out			
10	calculation for the fiscal year ending			
11	September 30, 2017 (millions).....	N/A	N/A	\$0.0

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

16 (3) In addition to the appropriation to the countercyclical
17 budget and economic stabilization fund in subsection (2), there is
18 appropriated to the countercyclical budget and economic
19 stabilization fund for the fiscal year ending September 30, 2017,
20 25% of fiscal year 2015-2016 general fund/general purpose
21 unassigned fund balance recorded as part of the state book closing
22 process for the 2015-2016 fiscal year.

23 Sec. 212. The departments and agencies receiving
24 appropriations in part 1 shall receive and retain copies of all
25 reports funded from appropriations in part 1. Federal and state
26 guidelines for short-term and long-term retention of records shall
27 be followed. The department may electronically retain copies of

1 reports unless otherwise required by federal and state guidelines.

2 Sec. 213. Funds appropriated in part 1 shall not be used by
3 this state, a department, an agency, or an authority of this state
4 to purchase an ownership interest in a casino enterprise or a
5 gambling operation as those terms are defined in the Michigan
6 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

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

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

21 (a) The dates of each travel occurrence.

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

27 Sec. 217. General fund appropriations in part 1 shall not be

1 expended for items in cases where federal funding or private grant
2 funding is available for the same expenditures.

3 Sec. 219. The departments and agencies receiving
4 appropriations in part 1 shall maintain, on a publicly accessible
5 website, a department or agency scorecard that identifies, tracks,
6 and regularly updates key metrics that are used to monitor and
7 improve the department's or agency's performance.

8 Sec. 221. Each department and agency shall report no later
9 than April 1 on each specific policy change made to implement a
10 public act affecting the department that took effect during the
11 prior calendar year to the senate and house of representatives
12 standing committees on appropriations subcommittees on general
13 government, the joint committee on administrative rules, and the
14 senate and house fiscal agencies.

15 Sec. 226. Funds appropriated in part 1 shall not be used by a
16 principal executive department, state agency, or authority to hire
17 a person to provide legal services that are the responsibility of
18 the attorney general. This prohibition does not apply to legal
19 services for bonding activities and for those outside services that
20 the attorney general authorizes.

21 Sec. 227. Within 14 days after the release of the executive
22 budget recommendation, the departments and agencies receiving
23 appropriations in part 1 shall cooperate with the state budget
24 director to provide the chairs of the senate and house of
25 representatives standing committees on appropriations, the chairs
26 of the senate and house of representatives standing committees on
27 appropriations subcommittees on general government, and the senate

1 and house fiscal agencies with an annual report on estimated state
2 restricted fund balances, state restricted fund projected revenues,
3 and state restricted fund expenditures for the fiscal years ending
4 September 30, 2016 and September 30, 2017.

5 Sec. 228. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total GF/GP appropriation lapses at the close of the prior
8 fiscal year. This report shall summarize the projected year-end
9 GF/GP appropriation lapses by major departmental program or program
10 areas. The report shall be transmitted to the chairpersons of the
11 senate and house appropriations committees and the senate and house
12 fiscal agencies.

13 Sec. 229. If the office of the auditor general has identified
14 an initiative or made a recommendation that is related to savings
15 and efficiencies in an audit report for an executive branch
16 department or agency, the department or agency shall report within
17 6 months of the release of the audit on their efforts and progress
18 made toward achieving the savings and efficiencies identified in
19 the audit report. The report shall be submitted to the chairs of
20 the senate and house of representatives standing committees on
21 appropriations, the chairs of the senate and house of
22 representatives standing committees with jurisdiction over matters
23 relating to the department that is audited, and the senate and
24 house fiscal agencies.

25 Sec. 233. In addition to the GF/GP appropriations for special
26 maintenance, remodeling, and addition - state facilities in part 1,
27 there is also appropriated related federal and state restricted

1 funds up to the amounts that will be earned based upon the
2 initiatives undertaken with the funds in part 1. The state budget
3 director shall determine and authorize the appropriate manner for
4 implementing this section.

5 Sec. 234. In addition to the GF/GP appropriations for
6 enterprisewide information technology investments in part 1, there
7 is also appropriated related federal and state restricted funds up
8 to the amounts that will be earned based upon the initiatives
9 undertaken with the funds in part 1. The state budget director
10 shall determine and authorize the appropriate manner for
11 implementing this section.

12 Sec. 235. By April 1, the state budget director shall submit a
13 report to the senate and house appropriations committees and the
14 senate and house fiscal agencies. The report shall recommend a
15 contingency plan for each federal funding source included in the
16 state budget of \$10,000,000.00 or more in the event that the
17 federal government reduces funding to the state through that source
18 by 10% or greater.

19 **DEPARTMENT OF ATTORNEY GENERAL**

20 Sec. 301. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$1,500,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in part 1 under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$1,500,000.00 for state
2 restricted contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in part 1 under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

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

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

18 Sec. 302. (1) The attorney general shall perform all legal
19 services, including representation before courts and administrative
20 agencies rendering legal opinions and providing legal advice to a
21 principal executive department or state agency. A principal
22 executive department or state agency shall not employ or enter into
23 a contract with any other person for services described in this
24 section.

25 (2) The attorney general shall defend judges of all state
26 courts if a claim is made or a civil action is commenced for
27 injuries to persons or property caused by the judge through the

1 performance of the judge's duties while acting within the scope of
2 his or her authority as a judge.

3 (3) The attorney general shall perform the duties specified in
4 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
5 14.102, and as otherwise provided by law.

6 Sec. 303. The attorney general may sell copies of the biennial
7 report in excess of the 350 copies that the attorney general may
8 distribute on a gratis basis. Gratis copies shall not be provided
9 to members of the legislature. Electronic copies of biennial
10 reports shall be made available on the department of attorney
11 general's website. The attorney general shall sell copies of the
12 report at not less than the actual cost of the report and shall
13 deposit the money received into the general fund.

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

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

1 money earned by the department of attorney general under the
2 agreement after the allowance for reimbursement to the department
3 of attorney general for costs associated with the prosecution of
4 food stamp fraud cases. It is recognized that the federal funds are
5 earned by the department of attorney general for its documented
6 progress on the prosecution of food stamp fraud cases according to
7 the United States Department of Agriculture regulations and that,
8 once earned by this state, the funds become state funds.

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

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

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

24 Sec. 308. (1) In addition to the funds appropriated in part 1,
25 there is appropriated up to \$500,000.00 from litigation expense
26 reimbursements awarded to the state.

27 (2) The funds may be expended for the payment of court

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

9 (3) Unexpended funds at the end of the fiscal year may be
10 carried forward for expenditure in the following year, up to a
11 maximum authorization of \$500,000.00.

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

25 Sec. 310. (1) For the purposes of providing title IV-D child
26 support enforcement funding, the department of health and human
27 services, as the state IV-D agency, shall maintain a cooperative

1 agreement with the attorney general for federal IV-D funding to
2 support the child support enforcement activities within the office
3 of the attorney general.

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

8 Sec. 312. The department of attorney general shall not receive
9 and expend funds in addition to those authorized in part 1 for
10 legal services provided specifically to other state departments or
11 agencies except for costs for expert witnesses, court costs, or
12 other nonsalary litigation expenses associated with a pending legal
13 action.

14 Sec. 313. From the funds appropriated in part 1 for attorney
15 general operations, the department shall allocate \$600,000.00 for
16 the investigation and prosecution of mortgage fraud.

17 Sec. 314. From the lawsuit settlement proceeds fund
18 appropriated in part 1, the department may spend the funds for the
19 costs of all associated expenses related to the declaration of
20 emergency due to drinking water contamination up to \$2,600,000.00.

21 Sec. 315. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2017 are \$18,361,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$10,096,700.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$8,264,300.00.

27 Sec. 316. (1) From the funds appropriated in part 1 for sexual

1 assault law enforcement efforts, the department shall use the funds
2 for testing of backlogged sexual assault kits across the state. The
3 funding provided in part 1 shall be distributed in the following
4 order of priority:

5 (a) To eliminate all county sexual assault kit backlogs
6 outside of Wayne County.

7 (b) To assist local prosecutors with investigations and
8 prosecutions of viable cases.

9 (c) To provide victim services.

10 (2) The department of attorney general shall provide a
11 detailed work and spending plan outlining anticipated litigation
12 action and expenditures resulting from findings of the sexual
13 assault kit testing. The spending plan shall be transmitted to the
14 state budget office, the senate and house fiscal agencies, and the
15 senate and house of representatives standing committees on
16 appropriations subcommittees on general government. The
17 appropriation shall not be available for expenditure until the work
18 plan is approved by the state budget director. The state budget
19 office shall notify the senate and house of representatives
20 standing committees on appropriations subcommittees on general
21 government at least 15 days prior to release of the funds.

22 (3) The department of attorney general shall provide a report
23 by January 30 providing updated information related to the work and
24 spending plan listed in subsection (2) and provide an update on
25 expenditures made in relation to assisting local prosecutions and
26 investigations and providing victim services. The report shall be
27 distributed to the state budget office and the chairs of the senate

1 and house of representatives standing committees on appropriations
2 subcommittees on general government, as well as the senate and
3 house fiscal agencies.

4 **DEPARTMENT OF CIVIL RIGHTS**

5 Sec. 401. (1) In addition to the funds appropriated in part 1,
6 there is appropriated an amount not to exceed \$2,000,000.00 for
7 federal contingency funds. These funds are not available for
8 expenditure until they have been transferred to another line item
9 in part 1 under section 393(2) of the management and budget act,
10 1984 PA 431, MCL 18.1393.

11 (2) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$750,000.00 for private
13 contingency funds. These funds are not available for expenditure
14 until they have been transferred to another line item in part 1
15 under section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

17 Sec. 402. (1) In addition to the appropriations contained in
18 part 1, the department of civil rights may receive and expend funds
19 from local or private sources for all of the following purposes:

20 (a) Developing and presenting training for employers on equal
21 employment opportunity law and procedures.

22 (b) The publication and sale of civil rights related
23 informational material.

24 (c) The provision of copy material made available under
25 freedom of information requests.

26 (d) Other copy fees, subpoena fees, and witness fees.

1 (e) Developing, presenting, and participating in mediation
2 processes for certain civil rights cases.

3 (f) Workshops, seminars, and recognition or award programs
4 consistent with the programmatic mission of the individual unit
5 sponsoring or coordinating the programs.

6 (g) Staffing costs for all activities included in this
7 subsection.

8 (2) The department of civil rights shall annually report to
9 the state budget director, the senate and house of representatives
10 standing committees on appropriations, and the senate and house
11 fiscal agencies the amount of funds received and expended for
12 purposes authorized under this section.

13 Sec. 403. The department of civil rights may contract with
14 local units of government to review equal employment opportunity
15 compliance of potential contractors and may charge for and expend
16 amounts received from local units of government for the purpose of
17 developing and providing these contractual services.

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

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

22 (b) A detailed description of all subunits within the
23 department, including FTE positions associated with each subunit,
24 responsibilities of each subunit, and all revenues and expenditures
25 for each subunit.

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

27 (d) The average cost of, and time expended, investigating

1 complaints.

2 (e) The percentage of complaints that are meritorious and
3 worthy of investigation or settlement and the percentage of
4 complaints that have no merit.

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

6 (g) Expenditures associated with complaint investigation and
7 enforcement.

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

10 (i) A listing of complaint evaluations completed per FTE
11 position for each of the past 5 years.

12 (j) Productivity projections for the current fiscal year,
13 including investigations closed per FTE, complaint evaluations
14 completed per FTE, and average time expended investigating
15 complaints.

16 (2) The report required under subsection (1) shall be posted
17 online and transmitted electronically not later than November 30 to
18 the state budget director, the chairpersons of the senate and house
19 of representatives standing committees on appropriations, the
20 senate and house appropriations subcommittees on general
21 government, and the senate and house fiscal agencies.

22 Sec. 405. The department of civil rights shall notify the
23 office of the state budget, senate and house of representatives
24 standing committees on appropriations, and senate and house fiscal
25 agencies prior to submitting a report or complaint to the United
26 States Commission on Civil Rights or other federal departments.

27 Sec. 410. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2017 are \$3,062,000.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 \$1,697,800.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at \$1,364,200.00.

6 LEGISLATURE

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

10 Sec. 601. (1) Funds appropriated in part 1 to an entity within
11 the legislative branch shall not be expended or transferred to
12 another account without written approval of the authorized agent of
13 the legislative entity. If the authorized agent of the legislative
14 entity notifies the state budget director of its approval of an
15 expenditure or transfer before the year-end book-closing date for
16 that legislative entity, the state budget director shall
17 immediately make the expenditure or transfer. The authorized
18 legislative entity agency shall be designated by the speaker of the
19 house of representatives for house entities, the senate majority
20 leader for senate entities, and the legislative council for
21 legislative council entities.

22 (2) Funds appropriated within the legislative branch, to a
23 legislative council component, shall not be expended by any agency
24 or other subgroup included in that component without the approval
25 of the legislative council.

26 Sec. 602. The senate may charge rent and assess charges for

1 utility costs. The amounts received for rent charges and utility
2 assessments are appropriated to the senate for the renovation,
3 operation, and maintenance of the Farnum Building and other
4 properties.

5 Sec. 603. The appropriation contained in part 1 for national
6 association dues is to be distributed by the legislative council.

7 Sec. 604. (1) The appropriation in part 1 to the Michigan
8 state capitol historic site includes funds to operate the
9 legislative parking facilities in the capitol area. The Michigan
10 state capitol commission shall establish rules regarding the
11 operation of the legislative parking facilities.

12 (2) The Michigan state capitol commission may collect a fee
13 from state employees and the general public using certain
14 legislative parking facilities. The revenues received from the
15 parking fees are appropriated upon receipt and shall be allocated
16 by the Michigan state capitol commission.

17 Sec. 605. The appropriation in part 1 to the legislative
18 council for publication of the Michigan manual is a work project
19 account. The unexpended portion remaining on September 30 shall not
20 lapse and shall be carried forward into the subsequent fiscal year
21 for use in paying the associated biennial costs of publication of
22 the Michigan manual.

23 Sec. 606. The appropriations in part 1 to the legislative
24 branch, for property management, shall be used to purchase
25 equipment and services for building maintenance in order to ensure
26 a safe and productive work environment. These funds are designated
27 as work project appropriations and shall not lapse at the end of

1 the fiscal year, and shall continue to be available for expenditure
2 until the project has been completed. The total cost is estimated
3 at \$2,000,000.00, and the tentative completion date is September
4 30, 2020.

5 Sec. 607. The appropriations in part 1 to the legislative
6 branch, for automated data processing, shall be used to purchase
7 equipment, software, and services in order to support and implement
8 data processing requirements and technology improvements. These
9 funds are designated as work project appropriations in accordance
10 with section 451a of the management and budget act, 1984 PA 431,
11 MCL 18.1451a, and shall not lapse at the end of the fiscal year,
12 and shall continue to be available for expenditure until the
13 project has been completed. The total cost is estimated at
14 \$2,000,000.00, and the tentative completion date is September 30,
15 2020.

16 Sec. 608. In addition to funds appropriated in part 1, the
17 Michigan capitol committee publications save the flags fund account
18 may accept contributions, gifts, bequests, devises, grants, and
19 donations. Those funds that are not expended in the fiscal year
20 ending September 30 shall not lapse at the close of the fiscal
21 year, and shall be carried forward for expenditure in the following
22 fiscal years.

23 Sec. 609. The funds appropriated in part 1 for the legislative
24 corrections ombudsman include an additional \$125,000.00 that shall
25 be used to add an additional legislative corrections ombudsman
26 analyst that would allow the legislative corrections ombudsman to
27 address complaints more timely and reduce outstanding complaints.

House Bill No. 5294 as amended April 27, 2016

1 Sec. 610. (1) From the funds appropriated in part 1 for the
2 legislative council, the criminal justice policy commission shall
3 spend up to \$500,000.00 for a study to determine what the
4 additional estimated annual costs to counties would be if 17-year-
5 olds were redirected from the adult court and correctional systems
6 into the family court and juvenile justice systems. The study shall
7 also determine the estimated savings to the state corrections
8 system, as well as any other financial or policy costs and
9 benefits, from such a redirection.

10 (2) The unexpended funds appropriated in part 1 for the
11 criminal justice policy commission study are designated as a work
12 project appropriation, and any unencumbered or unallotted funds
13 shall not lapse at the end of the fiscal year and shall be
14 available for expenditure for projects under this section until the
15 projects have been completed. The following is in compliance with
16 section 451a of the management and budget act, 1984 PA 431, MCL
17 18.1451a:

18 (a) The purpose of the project is to determine what additional
19 estimated annual costs to counties would be if 17-year-olds were
20 redirected from the adult court and correctional systems into the
21 family court and juvenile justice systems and the estimated savings
22 to the state corrections system, as well as any other financial or
23 policy costs and benefits, from such a redirection.

24 (b) The project will be accomplished by utilizing state
25 employees or contracts with private vendors, or both.

26 (c) The total estimated cost of the project is \$500,000.00.

27 (d) The tentative completion date is [\[April 1, 2018\]](#).

1 Sec. 615. Total authorized appropriations from all sources
2 under part 1 for legacy costs for the fiscal year ending September
3 30, 2017 are \$21,279,600.00. From this amount, total agency
4 appropriations for pension-related legacy costs are estimated at
5 \$11,998,700.00. Total agency appropriations for retiree health care
6 legacy costs are estimated at \$9,280,900.00.

7 Sec. 618. It is the intent of the legislature that all
8 administrative functions and associated funding for the Michigan
9 legislative retirement system shall be transferred from the
10 legislative council to the department of technology, management,
11 and budget before the end of the 2016-2017 fiscal year.

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

16 **LEGISLATIVE AUDITOR GENERAL**

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

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

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

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

15 Sec. 622. From the funds appropriated in part 1 to the
16 legislative auditor general, the auditor general's salary and the
17 salaries of the remaining 2.0 FTE unclassified positions shall be
18 set by the speaker of the house of representatives, the senate
19 majority leader, the house of representatives minority leader, and
20 the senate minority leader.

21 Sec. 623. Any audits, reviews, or investigations requested of
22 the auditor general by the legislature or by legislative
23 leadership, legislative committees, or individual legislators shall
24 include an estimate of the additional costs involved and, when
25 those costs exceed \$50,000.00, should provide supplemental funding.
26 The auditor general shall determine whether to perform those
27 activities in keeping with Audit Directive No. 29, which describes

1 the office of the auditor general's policy on responding to
2 legislative requests.

3 **DEPARTMENT OF STATE**

4 Sec. 701. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$2,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$7,500,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$50,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

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

1 MCL 18.1393.

2 Sec. 703. From the funds appropriated in part 1, the
3 department of state shall sell copies of records including, but not
4 limited to, records of motor vehicles, off-road vehicles,
5 snowmobiles, watercraft, mobile homes, personal identification
6 cardholders, drivers, and boat operators and shall charge \$11.00
7 per record sold only as authorized in section 208b of the Michigan
8 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
9 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
10 natural resources and environmental protection act, 1994 PA 451,
11 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
12 received from the sale of records shall be credited to the
13 transportation administration collection fund created under section
14 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

15 Sec. 704. From the funds appropriated in part 1, the secretary
16 of state may enter into agreements with the department of
17 corrections for the manufacture of vehicle registration plates 15
18 months before the registration year in which the registration
19 plates will be used.

20 Sec. 705. (1) The department of state may accept gifts,
21 donations, contributions, and grants of money and other property
22 from any private or public source to underwrite, in whole or in
23 part, the cost of a departmental publication that is prepared and
24 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
25 257.1 to 257.923. A private or public funding source may receive
26 written recognition in the publication and may furnish a traffic
27 safety message, subject to departmental approval, for inclusion in

1 the publication. The department may reject a gift, donation,
2 contribution, or grant. The department may furnish copies of a
3 publication underwritten, in whole or in part, by a private source
4 to the underwriter at no charge.

5 (2) The department of state may sell and accept paid
6 advertising for placement in a departmental publication that is
7 prepared and disseminated under the Michigan vehicle code, 1949 PA
8 300, MCL 257.1 to 257.923. The department may charge and receive a
9 fee for any advertisement appearing in a departmental publication
10 and shall review and approve the content of each advertisement. The
11 department may refuse to accept advertising from any person or
12 organization. The department may furnish a reasonable number of
13 copies of a publication to an advertiser at no charge.

14 (3) Pending expenditure, the funds received under this section
15 shall be deposited in the Michigan department of state publications
16 fund created by section 211 of the Michigan vehicle code, 1949 PA
17 300, MCL 257.211. Funds given, donated, or contributed to the
18 department from a private source are appropriated and allocated for
19 the purpose for which the revenue is furnished. Funds granted to
20 the department from a public source are allocated and may be
21 expended upon receipt. The department shall not accept a gift,
22 donation, contribution, or grant if receipt is conditioned upon a
23 commitment of state funding at a future date. Revenue received from
24 the sale of advertising is appropriated and may be expended upon
25 receipt.

26 (4) Any unexpended revenues received under this section shall
27 be carried over into subsequent fiscal years and shall be available

1 for appropriation for the purposes described in this section.

2 (5) On March 1 of each year, the department of state shall
3 file a report with the senate and house of representatives standing
4 committees on appropriations, the senate and house fiscal agencies,
5 and the state budget director. The report shall include all of the
6 following information:

7 (a) The amount of gifts, contributions, donations, and grants
8 of money received by the department under this section for the
9 prior fiscal year.

10 (b) A listing of the expenditures made from the amounts
11 received by the department as reported in subdivision (a).

12 (c) A listing of any gift, donation, contribution, or grant of
13 property other than funding received by the department under this
14 section for the prior year.

15 (d) The total revenue received from the sale of paid
16 advertising accepted under this section and a statement of the
17 total number of advertising transactions.

18 (6) In addition to copies delivered without charge as the
19 secretary of state considers necessary, the department of state may
20 sell copies of manuals and other publications regarding the sale,
21 ownership, or operation or regulation of motor vehicles, with
22 amendments, at prices to be established by the secretary of state.
23 As used in this subsection, the term "manuals and other
24 publications" includes videos and proprietary electronic
25 publications. All funds received from sales of these manuals and
26 other publications shall be credited to the Michigan department of
27 state publications fund.

1 Sec. 707. Funds collected by the department of state under
2 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
3 are appropriated for all expenses necessary to provide for the
4 costs of the publication. Funds are allotted for expenditure when
5 they are received by the department of treasury and shall not lapse
6 to the general fund at the end of the fiscal year.

7 Sec. 708. From the funds appropriated in part 1, the
8 department of state shall use available balances at the end of the
9 state fiscal year to provide payment to the department of state
10 police in the amount of \$332,000.00 for the services provided by
11 the traffic accident records program as first appropriated in 1990
12 PA 196 and 1990 PA 208.

13 Sec. 709. From the funds appropriated in part 1, the
14 department of state may restrict funds from miscellaneous revenue
15 to cover cash shortages created from normal branch office
16 operations. This amount shall not exceed \$50,000.00 of the total
17 funds available in miscellaneous revenue.

18 Sec. 710. (1) Commemorative and specialty license plate fee
19 revenue collected by the department of state and deposited into the
20 transportation administration collection fund created in section
21 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
22 authorized for expenditure up to the amount of revenue collected
23 but not to exceed the amount appropriated to the department of
24 state in part 1 to administer commemorative and specialty license
25 plate programs.

26 (2) Commemorative and specialty license plate fee revenue
27 collected by the department of state and deposited in the

1 transportation administration collection fund created in section
2 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
3 addition to the amount appropriated in part 1 to the department of
4 state, shall remain in the transportation administration collection
5 fund created in section 810b of the Michigan vehicle code, 1949 PA
6 300, MCL 257.810b, and be available for future appropriation.

7 Sec. 711. Collector plate and fund-raising registration plate
8 revenues collected by the department of state are appropriated and
9 allotted for distribution to the recipient university or public or
10 private agency overseeing a state-sponsored goal when received.
11 Distributions shall occur on a quarterly basis or as otherwise
12 authorized by law. Any revenues remaining at the end of the fiscal
13 year shall not lapse to the general fund but shall remain available
14 for distribution to the university or agency in the next fiscal
15 year.

16 Sec. 712. The department of state may produce and sell copies
17 of a training video designed to inform registered automotive repair
18 facilities of their obligations under Michigan law. The price shall
19 not exceed the cost of production and distribution. The money
20 received from the sale of training videos shall revert to the
21 department of state and be placed in the auto repair facility
22 account.

23 Sec. 713. (1) The department of state, in collaboration with
24 the gift of life transplantation society or its successor federally
25 designated organ procurement organization, may develop and
26 administer a public information campaign concerning the Michigan
27 organ donor program.

1 (2) The department of state may solicit funds from any private
2 or public source to underwrite, in whole or in part, the public
3 information campaign authorized by this section. The department may
4 accept gifts, donations, contributions, and grants of money and
5 other property from private and public sources for this purpose. A
6 private or public funding source underwriting the public
7 information campaign, in whole or in substantial part, shall
8 receive sponsorship credit for its financial backing.

9 (3) Funds received under this section, including grants from
10 state and federal agencies, shall not lapse to the general fund at
11 the end of the fiscal year but shall remain available for
12 expenditure for the purposes described in this section.

13 (4) Funding appropriated in part 1 for the organ donor program
14 shall be used for producing a pamphlet to be distributed with
15 driver licenses and personal identification cards regarding organ
16 donations. The funds shall be used to update and print a pamphlet
17 that will explain the organ donor program and encourage people to
18 become donors by marking a checkoff on driver license and personal
19 identification card applications.

20 (5) The pamphlet shall include a return reply form addressed
21 to the gift of life organization. Funding appropriated in part 1
22 for the organ donor program shall be used to pay for return postage
23 costs.

24 (6) In addition to the appropriations in part 1, the
25 department of state may receive and expend funds from the organ and
26 tissue donation education fund for administrative expenses.

27 Sec. 714. (1) Except as otherwise provided under subsection

1 (2), at least 180 days before closing a branch office or
2 consolidating a branch office and at least 60 days before
3 relocating a branch office, the department of state shall inform
4 members of the senate and house of representatives standing
5 committees on appropriations and legislators who represent affected
6 areas regarding the details of the proposal. The information
7 provided shall be in written form and include all analyses done
8 regarding criteria for changes in the location of branch offices,
9 including, but not limited to, branch transactions, revenue, and
10 the impact on citizens of the affected area. The impact on citizens
11 shall include information regarding additional distance to branch
12 office locations resulting from the plan. The written notice
13 provided by the department of state shall also include detailed
14 estimates of costs and savings that will result from the overall
15 changes made to the branch office structure and the same level of
16 detail regarding costs for new leased facilities and expansions of
17 current leased space.

18 (2) If the consolidation of a branch office is with another
19 branch office that is located within the same local unit of
20 government or the relocation of a branch office is to another
21 location that is located within the same local unit of government,
22 the department of state is not required to provide the notification
23 or written information described in subsection (1).

24 (3) As used in this section, "local unit of government" means
25 a city, village, township, or county.

26 Sec. 715. (1) Any service assessment collected by the
27 department of state from the user of a credit or debit card under

1 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
2 for necessary expenses related to that service and may be remitted
3 to a credit or debit card company, bank, or other financial
4 institution.

5 (2) The service assessment imposed by the department of state
6 for credit and debit card services may be based either on a
7 percentage of each individual credit or debit card transaction, or
8 on a flat rate per transaction, or both, scaled to the amount of
9 the transaction. However, the department shall not charge any
10 amount for a service assessment which exceeds the costs billable to
11 the department for service assessments.

12 (3) If there is a balance of service assessments received from
13 credit and debit card services remaining on September 30, the
14 balance may be carried forward to the following fiscal year and
15 appropriated for the same purpose.

16 (4) As used in this section, "service assessment" means and
17 includes costs associated with service fees imposed by credit and
18 debit card companies and processing fees imposed by banks and other
19 financial institutions.

20 Sec. 716b. The department of state shall provide a report that
21 calculates the total amount of funds expended for the business
22 application modernization project to date from the inception of the
23 program. The report shall contain information on the original start
24 and completion dates for the project, the original cost to complete
25 the project, and a listing of all revisions to project completion
26 dates and costs. The report shall include the total amount of funds
27 paid to the state by the contract provider for penalties. The

1 report shall be submitted to the senate and house of
2 representatives standing committees on appropriations, the senate
3 and house fiscal agencies, and the state budget director by January
4 1.

5 Sec. 717. (1) The department of state may accept nonmonetary
6 gifts, donations, or contributions of property from any private or
7 public source to support, in whole or in part, the operation of a
8 departmental function relating to licensing, regulation, or safety.
9 The department may recognize a private or public contributor for
10 making the contribution. The department may reject a gift,
11 donation, or contribution.

12 (2) The department of state shall not accept a gift, donation,
13 or contribution under subsection (1) if receipt of the gift,
14 donation, or contribution is conditioned upon a commitment of
15 future state funding.

16 (3) On March 1 of each year, the department of state shall
17 file a report with the senate and house of representatives standing
18 committees on appropriations, the senate and house fiscal agencies,
19 and the state budget director. The report shall list any gift,
20 donation, or contribution received by the department under
21 subsection (1) for the prior calendar year.

22 Sec. 718. From the funds appropriated in part 1 to the
23 department of state, branch operations, the department shall
24 maintain a full service secretary of state branch office in Buena
25 Vista Township.

26 Sec. 721. From the funds appropriated in part 1, the
27 department of state may collect ATM commission fees from companies

1 that have ATMs located in secretary of state branch offices. The
2 commission received from the use of these ATMs shall be credited to
3 the transportation administration collection fund created under
4 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
5 257.810b.

6 Sec. 722. (1) From the increased funds appropriated in part 1
7 for information technology services and projects, the department of
8 state shall establish a legacy modernization project beginning in
9 the current fiscal year. The purpose of this program expansion is
10 modernization of the entire system and removal of existing programs
11 from the legacy mainframes.

12 (2) The department of state shall provide a report on the
13 status of the legacy modernization project that includes, but is
14 not limited to, itemization of all expenditures made on behalf of
15 the project, anticipated completion date of the project, time frame
16 of each phase of the project, the cost of the project, the number
17 of employees assigned to implement each phase of the project, the
18 contracts entered into for the project, anticipated overall cost of
19 the project, and any other information the department considers
20 necessary. The plan shall be distributed to the senate and house of
21 representatives standing committees on appropriations subcommittees
22 on general government, as well as the senate and house fiscal
23 agencies, and the state budget director by January 1.

24 Sec. 723. From the increased funds appropriated in part 1 for
25 elections administration and services, the department of state
26 shall establish funding available for the replacement of voting
27 machines. The purpose of this program expansion is replacement of

1 existing voting machines in the local jurisdictions.

2 Sec. 725. Total authorized appropriations from all sources
3 under part 1 for legacy costs for the fiscal year ending September
4 30, 2017 are \$31,874,100.00. From this amount, total agency
5 appropriations for pension-related legacy costs are estimated at
6 \$17,673,400.00. Total agency appropriations for retiree health care
7 legacy costs are estimated at \$14,200,700.00.

8 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

9 Sec. 801. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$4,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$8,000,000.00 for state
17 restricted contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$150,000.00 for local
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

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

7 Sec. 802. Proceeds in excess of necessary costs incurred in
8 the conduct of transfers or auctions of state surplus, salvage, or
9 scrap property made pursuant to section 267 of the management and
10 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
11 department of technology, management, and budget to offset costs
12 incurred in the acquisition and distribution of federal surplus
13 property. The department of technology, management, and budget
14 shall provide consolidated Internet auction services through the
15 state's contractors for all local units of government.

16 Sec. 803. (1) The department of technology, management, and
17 budget may receive and expend funds in addition to those authorized
18 by part 1 for maintenance and operation services provided
19 specifically to other principal executive departments or state
20 agencies, the legislative branch, the judicial branch, or private
21 tenants, or provided in connection with facilities transferred to
22 the operational jurisdiction of the department of technology,
23 management, and budget.

24 (2) The department of technology, management, and budget may
25 receive and expend funds in addition to those authorized by part 1
26 for real estate, architectural, design, and engineering services
27 provided specifically to other principal executive departments or

1 state agencies, the legislative branch, the judicial branch, or
2 private tenants.

3 (3) The department of technology, management, and budget may
4 receive and expend funds in addition to those authorized in part 1
5 for mail pickup and delivery services provided specifically to
6 other principal executive departments and state agencies, the
7 legislative branch, or the judicial branch.

8 (4) The department of technology, management, and budget may
9 receive and expend funds in addition to those authorized in part 1
10 for purchasing services provided specifically to other principal
11 executive departments and state agencies, the legislative branch,
12 or the judicial branch.

13 Sec. 804. (1) The source of financing in part 1 for statewide
14 appropriations shall be funded by assessments against longevity and
15 insurance appropriations throughout state government in a manner
16 prescribed by the department of technology, management, and budget.
17 Funds shall be used as specified in joint labor/management
18 agreements or through the coordinated compensation hearings
19 process. Any deposits made under this subsection and any
20 unencumbered funds are restricted revenues, may be carried over
21 into the succeeding fiscal years, and are appropriated.

22 (2) In addition to the funds appropriated in part 1 for
23 statewide appropriations, the department of technology, management,
24 and budget may receive and expend funds in such additional amounts
25 as may be specified in joint labor/management agreements or through
26 the coordinated compensation hearings process in the same manner
27 and subject to the same conditions as prescribed in subsection (1).

1 Sec. 805. To the extent a specific appropriation is required
2 for a detailed source of financing included in part 1 for the
3 department of technology, management, and budget appropriations
4 financed from special revenue and internal service and pension
5 trust funds, or MAIN user charges, the specific amounts are
6 appropriated within the special revenue internal service and
7 pension trust funds in portions not to exceed the aggregate amount
8 appropriated in part 1.

9 Sec. 806. In addition to the funds appropriated in part 1 to
10 the department of technology, management, and budget, the
11 department may receive and expend funds from other principal
12 executive departments and state agencies to implement
13 administrative leave bank transfer provisions as may be specified
14 in joint labor/management agreements. The amounts may also be
15 transferred to other principal executive departments and state
16 agencies under the joint agreement and any amounts transferred
17 under the joint agreement are authorized for receipt and
18 expenditure by the receiving principal executive department or
19 state agency. Any amounts received by the department of technology,
20 management, and budget under this section and intended, under the
21 joint labor/management agreements, to be available for use beyond
22 the close of the fiscal year and any unencumbered funds may be
23 carried over into the succeeding fiscal year.

24 Sec. 807. The source of financing in part 1 for the Michigan
25 administrative information network shall be funded by proportionate
26 charges assessed against the respective state funds benefiting from
27 this project in the amounts determined by the department.

1 Sec. 808. (1) Deposits against the interdepartmental grant
2 from building occupancy and parking charges appropriated in part 1
3 shall be collected, in part, from state agencies, the legislative
4 branch, and the judicial branch based on estimated costs associated
5 with maintenance and operation of buildings managed by the
6 department of technology, management, and budget. To the extent
7 excess revenues are collected due to estimates of building
8 occupancy charges exceeding actual costs, the excess revenues may
9 be carried forward into succeeding fiscal years for the purpose of
10 returning funds to state agencies.

11 (2) Appropriations in part 1 to the department of technology,
12 management, and budget, for management and budget services from
13 building occupancy charges and parking charges, may be increased to
14 return excess revenue collected to state agencies.

15 Sec. 809. On a quarterly basis, the department of technology,
16 management, and budget shall notify the chairpersons of the senate
17 and house of representatives standing committees on appropriations
18 and the chairpersons of the senate and house of representatives
19 standing committees on appropriations subcommittees on general
20 government on any revisions that increase or decrease current
21 contracts by more than \$500,000.00 for computer software
22 development, hardware acquisition, or quality assurance.

23 Sec. 810. The department of technology, management, and budget
24 shall maintain an Internet website that contains notice of all
25 invitations for bids and requests for proposals over \$50,000.00
26 issued by the department or by any state agency operating under
27 delegated authority. The department shall not accept an invitation

1 for bid or request for proposal in less than 14 days after the
2 notice is made available on the Internet website, except in
3 situations where it would be in the best interest of the state and
4 documented by the department. In addition to the requirements of
5 this section, the department may advertise the invitations for bids
6 and requests for proposals in any manner the department determines
7 appropriate, in order to give the greatest number of individuals
8 and businesses the opportunity to make bids or requests for
9 proposals.

10 Sec. 811. The department of technology, management, and budget
11 may receive and expend funds from the Vietnam veterans memorial
12 monument fund as provided in the Michigan Vietnam veterans memorial
13 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated
14 and allocated when received and may be expended upon receipt.

15 Sec. 812. The Michigan veterans' memorial park commission may
16 receive and expend money from any source, public or private,
17 including, but not limited to, gifts, grants, donations of money,
18 and government appropriations, for the purposes described in
19 Executive Order No. 2001-10. Funds are appropriated and allocated
20 when received and may be expended upon receipt. Any deposits made
21 under this section and unencumbered funds are restricted revenues
22 and may be carried over into succeeding fiscal years.

23 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
24 appropriated to the department of technology, management, and
25 budget for administration and for the acquisition, lease,
26 operation, maintenance, repair, replacement, and disposal of state
27 motor vehicles.

1 (2) The appropriation in part 1 for motor vehicle fleet shall
2 be funded by revenue from rates charged to principal executive
3 departments and agencies for utilizing vehicle travel services
4 provided by the department. Revenue in excess of the amount
5 appropriated in part 1 from the motor transport fund and any
6 unencumbered funds are restricted revenues and may be carried over
7 into the succeeding fiscal year.

8 (3) Pursuant to the department of technology, management, and
9 budget's authority under sections 213 and 215 of the management and
10 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department
11 shall maintain a plan regarding the operation of the motor vehicle
12 fleet. The plan shall include the number of vehicles assigned to,
13 or authorized for use by, state departments and agencies, efforts
14 to reduce travel expenditures, the number of cars in the motor
15 vehicle fleet, the number of miles driven by fleet vehicles, and
16 the number of gallons of fuel consumed by fleet vehicles. The plan
17 shall include a calculation of the amount of state motor vehicle
18 fuel taxes that would have been incurred by fleet vehicles if fleet
19 vehicles were required by law to pay motor fuel taxes. The plan
20 shall include a description of fleet garage operations, the goods
21 sold and services provided by the fleet garage, the cost to operate
22 the fleet garage, the number of fleet garage locations, and the
23 number of employees assigned to each fleet garage. The plan may be
24 adjusted during the fiscal year based on needs and cost savings to
25 achieve the maximum value and efficiency from the state motor
26 fleet. Within 60 days after the close of the fiscal year, the
27 department shall provide a report to the senate and house of

1 representatives standing committees on appropriations, the senate
2 and house fiscal agencies, and the state budget director detailing
3 the current plan and changes made to the plan during the fiscal
4 year.

5 (4) The department of technology, management, and budget may
6 charge state agencies for fuel cost increases that exceed \$3.04 per
7 gallon of unleaded gasoline. The department shall notify state
8 agencies, in writing or by electronic mail, at least 30 days before
9 implementing additional charges for fuel cost increases. Revenues
10 received from these charges are appropriated upon receipt.

11 (5) The state budget director, upon notification to the senate
12 and house of representatives standing committees on appropriations,
13 may adjust spending authorization and the IDG from motor transport
14 fund in the department of technology, management, and budget in
15 order to ensure that the appropriations for motor vehicle fleet in
16 the department budget equal the expenditures for motor vehicle
17 fleet in the budgets for all executive branch agencies.

18 Sec. 814. The department of technology, management, and budget
19 shall develop a plan regarding the use of the funds appropriated in
20 part 1 for the enterprisewide information technology investment
21 projects. The plan shall include, but not be limited to, a
22 description of proposed information technology investment projects,
23 the time frame for completion of the information technology
24 investment projects, the proposed cost of the information
25 technology investment projects, the number of employees assigned to
26 implement each information technology investment project, the
27 contracts entered into for each information technology investment

1 project, and any other information the department deems necessary.
2 The plan shall be distributed to the senate and house of
3 representatives standing committees on appropriations subcommittees
4 on general government, as well as the senate and house fiscal
5 agencies, and the state budget director on a quarterly basis. The
6 submitted plan shall also include anticipated spending reductions
7 or overages for each of the proposed information technology
8 investment projects. The department of technology, management, and
9 budget shall notify the senate and house of representatives
10 standing committees on appropriations subcommittees on general
11 government, the senate and house fiscal agencies, and the state
12 budget director when a project funded under an information
13 technology investment project line item in part 1 is expected to
14 require a transfer of dollars from another project in excess of
15 \$500,000.00.

16 Sec. 814a. The funds appropriated in part 1 for information
17 technology investment projects shall be used for the modernization
18 of state information technology systems, improvement of the state's
19 cyber security framework, and to achieve efficiencies.

20 Sec. 816. An RFP issued for the purpose of privatization shall
21 include all factors used in evaluating and determining price.

22 Sec. 818. In addition to the funds appropriated in part 1, the
23 department of technology, management, and budget may receive and
24 expend money from the Michigan law enforcement officers memorial
25 monument fund as provided in the Michigan law enforcement officers
26 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

27 Sec. 820. The department shall make available to the public a

1 list of all parcels of real property owned by the state that are
2 available for purchase. The list shall be posted on the Internet
3 through the department's website.

4 Sec. 821. The department of technology, management, and budget
5 shall annually update the office space consolidation project plan,
6 including the use of the funds appropriated pursuant to
7 2012 PA 200 for the space consolidation fund. By February 15, the
8 department shall report to the senate and house of representatives
9 committees on appropriations subcommittees on general government
10 and the senate and house fiscal agencies on the revised plan and
11 plan implementation. The report shall include, but is not limited
12 to, the description of the proposed office space to be
13 consolidated, the time frame for completion of the office space
14 consolidation, the proposed itemized cost of the office space
15 consolidation, the number of employees assigned to implement the
16 office space consolidation, the contracts entered into for the
17 office space consolidation, information on completed projects,
18 anticipated savings, savings achieved, and any other information
19 the department deems necessary.

20 Sec. 822. The department of technology, management, and budget
21 shall compile a report by January 1 pertaining to the salaries of
22 unclassified employees, as well as gubernatorial appointees, within
23 all state departments and agencies. The report shall enumerate each
24 unclassified employee and gubernatorial appointee and his or her
25 annual salary individually. The report shall be distributed to the
26 chairs of the senate and house of representatives standing
27 committees on appropriations subcommittees on general government,

1 as well as the senate and house fiscal agencies and be made
2 available electronically.

3 Sec. 822b. (1) A public-private partnership investment fund is
4 created in MDTMB. Subject to subsections (2) and (3), public-
5 private partnership investments shall include, but are not limited
6 to, all of the following:

7 (a) Capital asset improvements including buildings, land, or
8 structures.

9 (b) Energy resource exploration, extraction, generation, and
10 sales.

11 (c) Financial and investment incentive opportunities.

12 (d) Infrastructure construction, maintenance, and operation.

13 (e) Public-private sector joint ventures that provide economic
14 benefit to an area or to the state.

15 (2) Public-private investments shall not include projects,
16 consultant expenses, staff effort, or any other activity related to
17 the development, financing, construction, operation, or
18 implementation of the Detroit River International Crossing or any
19 successor project unless the project is approved by the legislature
20 and signed into law.

21 (3) The state budget director shall determine whether or not a
22 specific public-private partnership investment opportunity
23 qualifies for funding under subsection (1).

24 (4) Investment development revenue, including a portion of the
25 proceeds from the sale of any public-private partnership investment
26 designated in subsection (1), shall be deposited into the fund
27 created in subsection (1) and shall be available for

1 administration, development, financing, marketing, and operating
2 expenditures associated with public-private partnerships, unless
3 otherwise provided by law. Public-private partnership investments
4 authorized in subsection (1) are authorized for public or private
5 operation or sale consistent with state law. Expenditures from the
6 fund are authorized for investment purposes as designated in
7 subsection (1) to enhance the marketable value of each investment.
8 The unencumbered balance remaining in the fund at the end of the
9 fiscal year may be carried forward for appropriation in future
10 years.

11 (5) An annual report shall be transmitted to the senate and
12 house of representatives standing committees on appropriations, the
13 senate and house fiscal agencies, and the state budget office not
14 later than December 31 of each year. This report shall detail both
15 of the following:

16 (a) The revenue and expenditure activity in the fund for the
17 preceding fiscal year.

18 (b) Public-private partnership investments as identified under
19 subsection (1).

20 (6) MDTMB shall monitor the revenue deposited in the public-
21 private partnership investment fund created in subsection (1). If
22 the revenue in the fund is insufficient to pay the amount
23 appropriated in part 1 for public-private partnership investment,
24 then MDTMB shall propose a legislative transfer to fund the line
25 from the appropriations in part 1.

26 Sec. 822c. The funds appropriated in part 1 shall not be used
27 to support any staff effort, projects, consultant expenses, or any

1 other activity related to the development, financing, construction,
2 operation, or implementation of the Detroit River International
3 Crossing or any successor project unless the project is approved by
4 the legislature and signed into law.

5 Sec. 822d. By December 31, 2015, the department shall provide
6 a report to the senate and house appropriations subcommittees on
7 general government and the senate and house fiscal agencies that
8 identifies fee and rate schedules to be used by state departments
9 and agencies for services, including information technology,
10 provided by the department during fiscal year 2016-2017. The report
11 shall also identify changes from fees and rates charged in fiscal
12 year 2015-2016 and include an explanation of the factors that
13 justify each fee and rate increase.

14 Sec. 822e. Total authorized appropriations from all sources
15 under part 1 for legacy costs for the fiscal year ending September
16 30, 2017 are \$78,962,000.00. From this amount, total agency
17 appropriations for pension-related legacy costs are estimated at
18 \$43,795,600.00. Total agency appropriations for retiree health care
19 legacy costs are estimated at \$35,166,400.00.

20 Sec. 822f. (1) The funds appropriated in part 1 for the
21 regional prosperity initiative are to be used as competitive grants
22 to eligible regional planning organizations qualifying for funding
23 as a regional prosperity collaborative, a regional prosperity
24 council, or a regional prosperity board. A regional planning
25 organization may not qualify for funding under more than 1 category
26 in the same state fiscal year. As used in this section:

27 (a) "Eligible regional planning organization" means any of the

1 following:

2 (i) An existing regional planning commission created pursuant
3 to 1945 PA 281, MCL 125.11 to 125.25.

4 (ii) An existing regional economic development commission
5 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

6 (iii) An existing metropolitan area council formed pursuant to
7 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

8 (iv) A Michigan metropolitan planning organization established
9 pursuant to the moving ahead for progress in the 21st century act,
10 Public Law 112-141.

11 (b) "Freedom of information act" means the freedom of
12 information act, 5 USC 552.

13 (c) "Open meetings act" means the open meetings act, 1976 PA
14 267, MCL 15.261 to 15.275.

15 (d) "Regional prosperity board" means a regional body that has
16 a singular governing board with representation from private,
17 public, and nonprofit entities engaged in joint decision-making
18 practices for the purpose of creating or maintaining a phase three:
19 regional prosperity plan.

20 (e) "Regional prosperity collaborative" means any committee
21 developed by a regional planning organization or a metropolitan
22 planning organization that serves to bring organizational
23 representation together from private, public, and nonprofit
24 entities within a region for the purpose of creating or maintaining
25 a phase one: regional prosperity plan.

26 (f) "Regional prosperity council" means a regional body with
27 representation from private, public, and nonprofit entities with

1 shared administrative services and an executive governing entity,
2 as demonstrated by a formal local agreement or agreements for the
3 purpose of creating or maintaining a phase two: regional prosperity
4 plan.

5 (2) Regional planning organizations may qualify to receive not
6 more than \$250,000.00 of incentive-based funding as a regional
7 prosperity collaborative subject to meeting all of the following
8 requirements:

9 (a) The regional prosperity collaborative has created a phase
10 one: regional prosperity plan, as follows:

11 (i) The regional prosperity collaborative must include
12 regional representatives from adult education, workforce
13 development, community development, economic development,
14 transportation, and higher education organizations.

15 (ii) The plan is required, at a minimum, to include a 5-year
16 plan focused on economic growth and vitality for the region, as
17 well as a performance dashboard and measurable annual goals to
18 support the 5-year plan.

19 (iii) The 5-year plan shall address regional strategies
20 related to adult education, workforce development, economic
21 development, transportation, higher education, and business
22 development.

23 (iv) The regional prosperity collaborative shall adopt the
24 plan by a minimum 2/3 majority vote of its members.

25 (b) The regional prosperity collaborative adheres to
26 accountability and transparency measures required in the open
27 meetings act and the freedom of information act.

1 (c) The regional prosperity collaborative convenes monthly
2 meetings, open to the public, to consider and discuss issues
3 leading to a common vision of economic prosperity for the region,
4 including, but not limited to, community development, economic
5 development, talent, and infrastructure opportunities.

6 (d) The regional prosperity collaborative makes available on
7 the grant recipient's publicly accessible Internet site pertinent
8 documents, including, but not limited to, monthly meeting agendas,
9 minutes of monthly meetings, voting records, and the regional
10 prosperity plan and performance dashboard.

11 (e) The regional prosperity collaborative keeps a status
12 report detailing the spending associated with previous regional
13 prosperity initiative grants. Organizations that have successfully
14 received grant awards in previous fiscal years shall be required to
15 make available to the department and on a publicly accessible
16 Internet site information regarding the use of those grant dollars.

17 (3) Regional planning organizations eligible to receive a
18 payment as a regional prosperity collaborative under subsection (2)
19 may qualify to receive a 1-time grant of not more than \$75,000.00
20 to produce a plan to transform the regional prosperity
21 collaborative into a regional prosperity council or regional
22 prosperity board, including necessary local formal agreements, to
23 make recommendations that eliminate duplicative efforts and
24 administrative functions, and to leverage resources through
25 cooperation, collaboration, and consolidations of organizations or
26 programs throughout the region. Plans produced to transform the
27 regional prosperity collaborative into a regional prosperity

1 council or regional prosperity board shall be made available on the
2 grant recipient's publicly accessible Internet site.

3 (4) Regional planning organizations may qualify to receive not
4 more than \$375,000.00 of incentive-based funding as a regional
5 prosperity council subject to meeting all of the following
6 requirements:

7 (a) A regional prosperity council has been formed and includes
8 regional representatives from adult education, workforce
9 development, community development, economic development,
10 transportation, and higher education organizations.

11 (b) An eligible regional prosperity council will demonstrate
12 shared administrative services between 2 public regional entities
13 included in subdivision (a). In addition, the council must have and
14 maintain an executive governing entity, as demonstrated by a formal
15 local agreement or agreements.

16 (c) The regional prosperity council has created a phase two:
17 regional prosperity plan, as follows:

18 (i) The regional prosperity council shall identify
19 opportunities for shared administrative services and decision-
20 making among the private, public, and nonprofit entities within the
21 region and shall continue collaboration with regional prosperity
22 council members, including, but not limited to, representatives
23 from adult education providers, workforce development agencies,
24 community development agencies, economic development agencies,
25 transportation service providers, and higher education
26 institutions.

27 (ii) The plan is required to include, but is not limited to,

1 all of the following:

2 (A) A status report of the approved 5-year plan.

3 (B) The addition of a 10-year plan for the region which builds
4 upon prior work and is focused on economic growth and vitality in
5 the region.

6 (C) A prioritized list of regional projects.

7 (D) A performance dashboard with measurable annual goals.

8 (iii) The regional prosperity council shall adopt the plan by
9 a minimum 2/3 vote of its members.

10 (d) The regional prosperity council adheres to accountability
11 and transparency measures required in the open meetings act and the
12 freedom of information act.

13 (e) The regional prosperity council convenes monthly meetings,
14 open to the public, to consider and discuss issues leading to a
15 common vision of economic prosperity for the region, including, but
16 not limited to, community development, economic development,
17 talent, and infrastructure opportunities.

18 (f) The regional prosperity council makes available on the
19 grant recipient's publicly accessible Internet site pertinent
20 documents, including, but not limited to, monthly meeting agendas,
21 minutes of monthly meetings, voting records, and the regional
22 prosperity plan and performance dashboard.

23 (g) The regional prosperity council keeps a status report
24 detailing the spending associated with previous regional prosperity
25 initiative grants. Organizations that have successfully received
26 grant awards in previous fiscal years shall be required to make
27 available to the department and on a publicly accessible Internet

1 site information regarding the use of those grant dollars.

2 (5) Regional planning organizations eligible to receive a
3 payment as a regional prosperity council under subsection (4) may
4 qualify to receive a 1-time grant of not more than \$75,000.00 to
5 produce a plan to transform the regional prosperity council into a
6 regional prosperity board, including a singular private/public
7 governance structure that comports with federal guidelines for
8 governance under the workforce investment act, Public Law 105-220,
9 the moving ahead for progress in the 21st century act, Public Law
10 112-141, the economic development administration and Appalachian
11 regional development reform act of 1998, Public Law 105-393, and
12 recommendations to eliminate duplicative efforts, administrative
13 functions, and leverage resources through cooperation,
14 collaboration, and consolidations of organizations or programs
15 throughout the region.

16 (6) Regional planning organizations may qualify to receive not
17 more than \$500,000.00 of incentive-based funding as a regional
18 prosperity board subject to meeting all of the following
19 requirements:

20 (a) The regional prosperity board has been formed and, at a
21 minimum, must demonstrate the consolidation of a regional
22 metropolitan planning organization, where one exists, state
23 designated regional planning agency boards, workforce development
24 boards, and federally designated regional economic development
25 districts within a region.

26 (b) The regional prosperity board has created a phase three:
27 regional prosperity plan, as follows:

1 (i) The regional prosperity board shall create a regional
2 services recommendations report prioritizing the list of state-
3 funded services and programs provided to the region, and
4 recommendations for state-regional partnerships to support the
5 adopted regional prosperity plan.

6 (ii) The plan is required to include a status report of the
7 approved 10-year plan for the creation of an updated regional
8 prosperity plan.

9 (iii) The regional prosperity board shall adopt the plan by a
10 minimum 2/3 vote of its members.

11 (c) The regional prosperity board adheres to accountability
12 and transparency measures required in the open meetings act and the
13 freedom of information act.

14 (d) The regional prosperity board convenes monthly meetings,
15 open to the public, to consider and discuss issues leading to a
16 common vision of economic prosperity for the region, including, but
17 not limited to, community development, economic development,
18 talent, and infrastructure opportunities.

19 (e) The regional prosperity board makes available on the grant
20 recipient's publicly accessible Internet site pertinent documents,
21 including, but not limited to, monthly meeting agendas, minutes of
22 monthly meetings, voting records, and the regional prosperity plan
23 and performance dashboard.

24 (7) Regional planning organizations eligible to receive a
25 payment as a regional prosperity board under subsection (6) may
26 qualify to receive not more than \$125,000.00, to implement the
27 prioritized regional prosperity plan projects.

1 (8) Regional planning organizations eligible to receive a
2 payment as a regional prosperity collaborative, board, or council
3 may partner with other eligible regional planning organizations to
4 submit joint applications. In the instance of a joint application,
5 1 regional planning organization shall be utilized as the overall
6 applicant. The department may award a joint application award of no
7 greater than the sum of potential application dollars which would
8 have otherwise been available through individual applications.

9 (9) The department shall develop an application process and
10 method of grant distribution for the regional prosperity
11 initiative. Funding applications from regional planning
12 organizations shall be due to the department by December 1, 2016.
13 The department shall notify regional planning organizations of
14 grant application status by January 1, 2017. The department shall
15 ensure that processes are established to verify that qualifying
16 regional planning organizations meet the requirements under
17 subsections (2), (3), (4), (5), (6), and (7), as applicable.

18 (10) Unexpended funds appropriated in part 1 for the regional
19 prosperity initiative are designated as work project
20 appropriations, and any unencumbered or unallotted funds shall not
21 lapse at the end of the fiscal year and shall be available for
22 expenditure for regional prosperity initiative projects under this
23 section until the projects have been completed. The following is in
24 compliance with section 451a of the management and budget act, 1984
25 PA 431, MCL 18.1451a:

26 (a) The purpose of the projects is to provide incentive-based
27 grants to recipients under this section.

1 (b) The projects will be accomplished by grants to qualified
2 regional planning organizations.

3 (c) The total estimated cost of all projects is \$2,500,000.00.

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

5 Sec. 822g. The department of technology, management, and
6 budget shall report by April 1 to the senate and house
7 appropriations subcommittees on general government and the senate
8 and house fiscal agencies on legal service fund expenditures. The
9 report shall itemize expenditures by case, purpose, and department
10 involved.

11 Sec. 822h. (1) The department of technology, management, and
12 budget shall report by April 15 to the senate and house
13 appropriations subcommittees on general government and the senate
14 and house fiscal agencies on the expenditures for the office of
15 urban initiatives. The report shall provide information detailing
16 the economic impact and job growth initiatives for each urban and
17 metropolitan area receiving funds under part 1. The report shall
18 also provide information detailing the initiatives undertaken in
19 each urban or metropolitan area receiving funds under part 1,
20 including, but not limited to, all of the following:

21 (a) Transportation and infrastructure.

22 (b) Public services.

23 (c) Land use and sustainability.

24 (d) Housing.

25 (e) Workforce and economic development.

26 (2) Any unencumbered and unexpended funds appropriated to the
27 office of urban initiatives in the previous fiscal year shall lapse

1 to the general fund on October 1.

2 Sec. 822i. (1) From the funds appropriated in part 1, the
3 department shall assure all of the following:

4 (a) That public schools that are placed in the state school
5 reform/redesign school district or under a chief executive officer
6 under section 1280c of the revised school code, 1976 PA 451, MCL
7 380.1280c, remain in compliance with all applicable state and
8 federal law concerning special education.

9 (b) That students at public schools described in subdivision
10 (a) with individualized education programs are afforded special
11 education services in accordance with applicable state and federal
12 law concerning special education.

13 (2) The department shall report to the legislature on the
14 number of students in public schools described in subsection (1)(a)
15 who have an individualized education program and the performance
16 results of those students after the change in governance of the
17 public school.

18 Sec. 822j. From the funds appropriated in part 1 for the
19 office of good government, the department of technology,
20 management, and budget shall expand the scope of the office of good
21 government. The purpose of this program expansion is to broaden the
22 office's support of transformative good government initiatives
23 related to employee engagement and process improvement.

24 Sec. 822k. The department shall work with the department of
25 health and human services to secure an appraisal of all state-owned
26 lands and buildings at the Hawthorn center psychiatric hospital
27 facility for children and adolescents and develop a proposal for

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1 possible replacement of the facility at the same location or at a
2 new location. A copy of the appraisal and proposal shall be
3 delivered to the senate and house appropriations committees, the
4 senate and house fiscal agencies, and the state budget director by
5 March 1, 2017.

[Sec. 8221. From the funds appropriated in part 1 for the school reform office, the office shall perform one public hearing in the school district of a school that the office is considering for appointment of a CEO or dissolution. The office shall give notice to the district prior to the public hearing. The public hearing shall include an outline of the plan for academic improvement for the school in consideration and a projected time frame of the office's involvement with the school.]

6 **INFORMATION TECHNOLOGY**

7 Sec. 823. (1) The department of technology, management, and
8 budget may sell and accept paid advertising for placement on any
9 state website under its jurisdiction. The department shall review
10 and approve the content of each advertisement. The department may
11 refuse to accept advertising from any person or organization or
12 require modification to advertisements based upon criteria
13 determined by the department. Revenue received under this
14 subsection shall be used for operating costs of the department and
15 for future technology enhancements to state of Michigan e-
16 government initiatives. Funds received under this subsection shall
17 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall
18 be deposited in the state general fund.

19 (2) The department of technology, management, and budget may
20 accept gifts, donations, contributions, bequests, and grants of
21 money from any public or private source to assist with the
22 underwriting or sponsorship of state webpages or services offered
23 on those webpages. A private or public funding source may receive
24 recognition in the webpage. The department of technology,
25 management, and budget may reject any gift, donation, contribution,
26 bequest, or grant.

1 (3) Funds accepted by the department of technology,
2 management, and budget under subsection (1) or (2) are appropriated
3 and allotted when received and may be expended upon approval of the
4 state budget director. The state budget office shall notify the
5 senate and house of representatives standing committees on
6 appropriations subcommittees on general government and the senate
7 and house fiscal agencies within 10 days after the approval is
8 given.

9 Sec. 824. The department of technology, management, and budget
10 may enter into agreements to supply spatial information and
11 technical services to other principal executive departments, state
12 agencies, local units of government, and other organizations. The
13 department of technology, management, and budget may receive and
14 expend funds in addition to those authorized in part 1 for
15 providing information and technical services, publications, maps,
16 and other products. The department of technology, management, and
17 budget may expend amounts received for salaries, supplies, and
18 equipment necessary to provide informational products and technical
19 services. Prior to December 1 of each year, the department shall
20 provide a report to the senate and house of representatives
21 standing committees on appropriations subcommittees on general
22 government and the state budget director detailing the sources of
23 funding and expenditures made under this section.

24 Sec. 825. The legislature shall have access to all historical
25 and current data contained within MAIN pertaining to state
26 departments. State departments shall have access to all historical
27 and current data contained within MAIN.

1 Sec. 826. When used in this part and part 1, "information
2 technology services" means services involving all aspects of
3 managing and processing information, including, but not limited to,
4 all of the following:

5 (a) Application and mobile development and maintenance.

6 (b) Desktop computer support and management.

7 (c) Cyber security.

8 (d) Social media.

9 (e) Mainframe computer support and management.

10 (f) Server support and management.

11 (g) Local area network support and management, including, but
12 not limited to, wired and wireless network build-out, support, and
13 management.

14 (h) Information technology project management.

15 (i) Information technology planning and budget management.

16 (j) Telecommunication services, infrastructure, and support.

17 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
18 public safety communications system shall be expended upon approval
19 of an expenditure plan by the state budget director.

20 (2) The department of technology, management, and budget shall
21 assess all subscribers of the Michigan public safety communications
22 system reasonable access and maintenance fees and deposit the fees
23 in the Michigan public safety communications system.

24 (3) All money received by the department of technology,
25 management, and budget under this section shall be expended for the
26 support and maintenance of the Michigan public safety
27 communications system.

1 (4) The department of technology, management, and budget shall
2 provide a report to the senate and house of representatives
3 standing committees on appropriations, the senate and house fiscal
4 agencies, and the state budget director on April 15, indicating the
5 amount of revenue collected under this section and expended for
6 support and maintenance of the Michigan public safety
7 communications system for the immediately preceding 6-month period.
8 Any deposits made under this section and unencumbered funds are
9 restricted revenues and shall be carried forward into succeeding
10 fiscal years.

11 Sec. 828. The department of technology, management, and budget
12 shall submit a report for the immediately preceding fiscal year
13 ending September 30 to the senate and house of representatives
14 standing committees on appropriations subcommittees on general
15 government and the senate and house fiscal agencies by March 1. The
16 report shall include the following:

17 (a) The total amount of funding appropriated for information
18 technology services and projects, by funding source, for all
19 principal executive departments and agencies.

20 (b) A listing of the expenditures made from the amounts
21 received by the department of technology, management, and budget as
22 reported in subdivision (a).

23 Sec. 829. The department of technology, management, and budget
24 shall provide a report that analyzes and makes recommendations on
25 the life-cycle of information technology hardware and software. The
26 report shall be submitted to the senate and house of
27 representatives standing committees on appropriations subcommittees

1 on general government and the senate and house fiscal agencies by
2 March 1.

3 Sec. 830. By December 31, the department shall provide a
4 report that lists all information technology-related change orders
5 and follow-on contracts, greater than \$50,000.00, whether they are
6 bid, exercise options, or no-bid, and the amount of each change
7 order or contract extension contract entered into by the department
8 to the senate and house of representatives standing committees on
9 appropriations subcommittees on general government, the senate and
10 house fiscal agencies, and the state budget director.

11 Sec. 831. (1) The information, communications, and technology
12 innovation fund, established pursuant to 2011 PA 63, 2012 PA 200,
13 and 2013 PA 59, shall be administered by the department of
14 technology, management, and budget for the purpose of providing a
15 revolving, self-sustaining resource for financing information,
16 communications, and technology innovation projects. From the funds
17 appropriated to the information, communications, and technology
18 innovation fund by 2011 PA 63, 2012 PA 200, and 2013 PA 59, or
19 received by the information, communications, and technology
20 innovation fund under subsections (2) and (3), the department of
21 technology, management, and budget may issue loans to state
22 agencies, local units of government, colleges and universities in
23 this state, school districts, other public entities that provide
24 public sector services, and nonprofit organizations that provide
25 public sector services, as determined by the department of
26 technology, management, and budget in support of information,
27 communications, and technology innovation projects.

1 (2) In addition to funds appropriated by 2011 PA 63, 2012 PA
2 200, and 2013 PA 59, the information, communications, and
3 technology innovation fund may accept contributions, gifts,
4 bequests, devises, grants, and donations.

5 (3) In addition to the funds appropriated by 2011 PA 63, 2012
6 PA 200, and 2013 PA 59, money received by the department of
7 technology, management, and budget as repayment of information,
8 communications, and technology innovation project loans, or other
9 reimbursement or revenue received by the department of technology,
10 management, and budget as a result of information, communications,
11 and technology innovation project loans, interest earned on that
12 money, or subsection (2) revenue, shall be deposited in the
13 information, communications, and technology innovation fund and is
14 appropriated for information, communications, and technology
15 innovation fund projects described in subsection (1). At the close
16 of the fiscal year, any unencumbered funds remaining in the
17 information, communications, and technology innovation fund shall
18 remain in the fund and be carried forward into the succeeding
19 fiscal year.

20 (4) This section is not effective if legislation is enacted
21 that creates and provides for the administration and use of the
22 information, communications, and technology innovation fund.

23 Sec. 832. (1) The department of technology, management, and
24 budget shall inform the senate and house appropriations
25 subcommittees on general government and the senate and house fiscal
26 agencies within 30 days of any potential or actual penalties
27 assessed by the federal government for failure of the Michigan

1 child support enforcement system to achieve certification by the
2 federal government.

3 (2) If potential penalties are assessed by the federal
4 government, the department of technology, management, and budget
5 shall submit a report to the senate and house appropriations
6 subcommittees on general government and the senate and house fiscal
7 agencies within 90 days specifying the department's plans to avoid
8 actual penalties and ensure federal certification of the Michigan
9 child support enforcement system.

10 Sec. 833. (1) The state budget director, upon notification to
11 the senate and house of representatives standing committees on
12 appropriations, may adjust spending authorization and user fees in
13 the department of technology, management, and budget in order to
14 ensure that the appropriations for information technology in the
15 department budget equal the appropriations for information
16 technology in the budgets for all executive branch agencies.

17 (2) If during the course of the fiscal year a transfer or
18 supplemental to or from the information technology line item within
19 an agency budget is made under section 393 of the management and
20 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
21 equal amount of user fees in the department of technology,
22 management, and budget budget to accommodate an increase or
23 decrease in spending authorization.

24 Sec. 834. (1) Revenue collected from licenses issued under the
25 antenna site management project shall be deposited into the antenna
26 site management revolving fund created for this purpose in the
27 department of technology, management, and budget. The department

1 may receive and expend money from the fund for costs associated
2 with the antenna site management project, including the cost of a
3 third-party site manager. Any excess revenue remaining in the fund
4 at the close of the fiscal year shall be proportionately
5 transferred to the appropriate state restricted funds as designated
6 in statute or by constitution.

7 (2) An antenna shall not be placed on any site pursuant to
8 this section without complying with the respective local zoning
9 codes and local unit of government processes.

10 Sec. 835. In addition to the funds appropriated in part 1, the
11 funds collected by the department for supplying census-related
12 information and technical services, publications, statistical
13 studies, population projections and estimates, and other
14 demographic products are appropriated for all expenses necessary to
15 provide the required services. These funds are available for
16 expenditure when they are received and may be carried forward into
17 the next succeeding fiscal year.

18 Sec. 836. From the increased funds appropriated in part 1 for
19 the information technology investment fund, the department of
20 technology, management, and budget shall provide for the
21 modernization of state information technology systems, and
22 integrate state system interfaces to improve customer service.

23 Sec. 837. From the funds appropriated in part 1 for cyber
24 security improvements, the department shall increase cyber security
25 information technology investment projects in the current fiscal
26 year. The purpose of this program expansion will be to provide
27 cyber security enhancements for network security improvements,

1 development of a comprehensive security framework and asset
2 security program, implementation of an enterprise-wide data loss
3 prevention process and governance, risk and compliance program, and
4 development of security dashboards and security reporting
5 processes.

6 Sec. 839. From the funds appropriated in part 1 for office of
7 retirement services ongoing support of technology, the department
8 shall expand the office of retirement services' information
9 technology capability in the current fiscal year. The purpose of
10 this new program or program expansion is to provide a 90% customer
11 contact satisfaction level.

12 **STATE BUILDING AUTHORITY RENT**

13 Sec. 842. (1) The state building authority rent appropriations
14 in part 1 may also be expended for the payment of required premiums
15 for insurance on facilities owned by the state building authority
16 or payment of costs that may be incurred as the result of any
17 deductible provisions in such insurance policies.

18 (2) If the amount appropriated in part 1 for state building
19 authority rent is not sufficient to pay the rent obligations and
20 insurance premiums and deductibles identified in subsection (1) for
21 state building authority projects, there is appropriated from the
22 general fund of the state the amount necessary to pay such
23 obligations.

24 **CIVIL SERVICE COMMISSION**

25 Sec. 850. (1) In accordance with section 5 of article XI of

1 the state constitution of 1963, all restricted funds shall be
2 assessed a sum not less than 1% of the total aggregate payroll paid
3 from those funds for financing the civil service commission on the
4 basis of actual 1% restricted sources total aggregate payroll of
5 the classified service for the preceding fiscal year. This
6 includes, but is not limited to, restricted funds appropriated in
7 part 1 of any appropriations act. Unexpended 1% appropriated funds
8 shall be returned to each 1% fund source at the end of the fiscal
9 year.

10 (2) The appropriations in part 1 are estimates of actual
11 charges based on payroll appropriations. With the approval of the
12 state budget director, the commission is authorized to adjust
13 financing sources for civil service charges based on actual payroll
14 expenditures, provided that such adjustments do not increase the
15 total appropriation for the civil service commission.

16 (3) The financing from restricted sources shall be credited to
17 the civil service commission by the end of the second fiscal
18 quarter.

19 Sec. 851. Except where specifically appropriated for this
20 purpose, financing from restricted sources shall be credited to the
21 civil service commission. For restricted sources of funding within
22 the general fund that have the legislative authority for carryover,
23 if current spending authorization or revenues are insufficient to
24 accept the charge, the shortage shall be taken from carryforward
25 balances of that funding source. Restricted revenue sources that do
26 not have carryforward authority shall be utilized to satisfy
27 commission operating deducts first and civil service obligations

1 second. General fund dollars are appropriated for any shortfall,
2 pursuant to approval by the state budget director.

3 Sec. 852. The appropriation in part 1 to the civil service
4 commission, for state-sponsored group insurance, flexible spending
5 accounts, and COBRA, represents amounts, in part, included within
6 the various appropriations throughout state government for the
7 current fiscal year to fund the flexible spending account program
8 included within the civil service commission. Deposits against
9 state-sponsored group insurance, flexible spending accounts, and
10 COBRA for the flexible spending account program shall be made from
11 assessments levied during the current fiscal year in a manner
12 prescribed by the civil service commission. Unspent employee
13 contributions to the flexible spending accounts may be used to
14 offset administrative costs for the flexible spending account
15 program, with any remaining balance of unspent employee
16 contributions to be lapsed to the general fund.

17 **CAPITAL OUTLAY**

18 Sec. 860. As used in sections 861 through 867:

19 (a) "Board" means the state administrative board.

20 (b) "Community college" means a community college organized
21 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
22 389.195, or under part 25 of the revised school code, 1976 PA 451,
23 MCL 380.1601 to 380.1607, and does not include a state agency or
24 university.

25 (c) "Department" means the department of technology,
26 management, and budget.

1 (d) "Director" means the director of the department of
2 technology, management, and budget.

3 (e) "Fiscal agencies" means the senate fiscal agency and the
4 house fiscal agency.

5 (f) "State agency" means an agency of state government. State
6 agency does not include a community college or university.

7 (g) "State building authority" means the authority created
8 under 1964 PA 183, MCL 830.411 to 830.425.

9 (h) "University" means a 4-year university supported by the
10 state. University does not include a community college or a state
11 agency.

12 Sec. 861. Each capital outlay project authorized in this part
13 and part 1 or any previous capital outlay act shall comply with the
14 procedures required by the management and budget act, 1984 PA 431,
15 MCL 18.1101 to 18.1594.

16 Sec. 862. (1) The department shall provide the JCOS, state
17 budget director, and the senate and house fiscal agencies with
18 reports as considered necessary relative to the status of each
19 planning or construction project financed by the state building
20 authority, by this part and part 1, or by previous acts.

21 (2) Before the end of each fiscal year, the department shall
22 report to the JCOS, state budget director, and the senate and house
23 fiscal agencies for each capital outlay project other than lump
24 sums all of the following:

25 (a) The account number and name of each construction project.

26 (b) The balance remaining in each account.

27 (c) The date of the last expenditure from the account.

1 (d) The anticipated date of occupancy if the project is under
2 construction.

3 (e) The appropriations history for the project.

4 (f) The professional service contractor.

5 (g) The amount of the project financed with federal funds.

6 (h) The amount of the project financed through the state
7 building authority.

8 (i) The total authorized cost for the project and the state
9 authorized share if different than the total.

10 (3) Before the end of each fiscal year, the department shall
11 report the following for each project by a state agency,
12 university, or community college that is authorized for planning
13 but is not yet authorized for construction:

14 (a) The name of the project and account number.

15 (b) Whether a program statement is approved.

16 (c) Whether schematics are approved by the department.

17 (d) Whether preliminary plans are approved by the department.

18 (e) The name of the professional service contractor.

19 (4) As used in this section, "project" includes appropriation
20 line items made for purchase of real estate.

21 Sec. 864. The appropriations in part 1 for capital outlay
22 shall be carried forward at the end of the fiscal year consistent
23 with the provisions of section 248 of the management and budget
24 act, 1984 PA 431, MCL 18.1248.

25 Sec. 865. (1) A site preparation economic development fund is
26 created in the department. As used in this section, "economic
27 development sites" means those state-owned sites declared as

1 surplus property pursuant to section 251 of the management and
2 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
3 benefit to the area or to the state. The Michigan economic
4 development corporation board and the state budget director shall
5 determine whether or not a specific state-owned site qualifies for
6 inclusion in the fund created under this subsection.

7 (2) Proceeds from the sale of any sites designated in
8 subsection (1) shall be deposited into the fund created in
9 subsection (1) and shall be available for site preparation
10 expenditures, unless otherwise provided by law. The economic
11 development sites authorized in subsection (1) are authorized for
12 sale consistent with state law. Expenditures from the fund are
13 authorized for site preparation activities that enhance the
14 marketable sale value of the sites. Site preparation activities
15 include, but are not limited to, demolition, environmental studies
16 and abatement, utility enhancement, and site excavation.

17 (3) A cash advance in an amount of not more than
18 \$25,000,000.00 is authorized from the general fund to the site
19 preparation economic development fund.

20 (4) An annual report shall be transmitted to the senate and
21 house of representatives standing committees on appropriations not
22 later than December 31 of each year. This report shall detail both
23 of the following:

24 (a) The revenue and expenditure activity in the fund for the
25 preceding fiscal year.

26 (b) The sites identified as economic development sites under
27 subsection (1).

1 Sec. 867. Proceeds from the sale of the Farnum Building shall
2 be subsequently appropriated to the department in accordance with
3 any legislation enacted that authorizes the sale of that property.
4 If the net proceeds from the sale of the Farnum Building are less
5 than the \$7,000,000.00 authorized for senate relocation costs in
6 section 896 of article VIII of 2014 PA 252, an amount equal to the
7 difference between the net sale proceeds and \$7,000,000.00 shall be
8 appropriated by the legislature to the department.

9 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

10 Sec. 873. (1) This section applies only to projects for
11 community colleges.

12 (2) State support is directed towards the remodeling and
13 additions, special maintenance, or construction of certain
14 community college buildings. The community college shall obtain or
15 provide for site acquisition and initial main utility installation
16 to operate the facility. Funding shall be composed of local and
17 state shares and not more than 50% of a capital outlay project, not
18 including a lump-sum special maintenance project or remodeling and
19 addition project, for a community college shall be appropriated
20 from state and federal funds, unless otherwise appropriated by the
21 legislature.

22 (3) An expenditure under this part and part 1 is authorized
23 when the release of the appropriation is approved by the board upon
24 the recommendation of the director. The director may recommend to
25 the board the release of any appropriation in part 1 only after the
26 director is assured that the legal entity operating the community

1 college to which the appropriation is made has complied with this
2 part and part 1 and has matched the amounts appropriated as
3 required by this part and part 1. A release of funds in part 1
4 shall not exceed 50% of the total cost of planning and construction
5 of any project, not including lump-sum remodeling and additions and
6 special maintenance, unless otherwise appropriated by the
7 legislature. Further planning and construction of a project
8 authorized by this part and part 1 or applicable sections of the
9 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
10 shall be in accordance with the purpose and scope as defined and
11 delineated in the approved program statements and planning
12 documents. This part and part 1 are applicable to all projects for
13 which planning appropriations were made in previous acts.

14 (4) The community college shall take the steps necessary to
15 secure available federal construction and equipment money for
16 projects funded for construction in this part and part 1 if an
17 application was not previously made. If there is a reasonable
18 expectation that a prior year unfunded application may receive
19 federal money in a subsequent year, the college shall take whatever
20 action necessary to keep the application active.

21 Sec. 874. If university and community college matching
22 revenues are received in an amount less than the appropriations for
23 capital projects contained in this part and part 1, the state funds
24 shall be reduced in proportion to the amount of matching revenue
25 received.

26 Sec. 875. (1) The director may require that community colleges
27 and universities that have an authorized project listed in part 1

1 submit documentation regarding the project match and governing
2 board approval of the authorized project not more than 60 days
3 after the beginning of the fiscal year.

4 (2) If the documentation required by the director under
5 subsection (1) is not submitted, or does not adequately
6 authenticate the availability of the project match or board
7 approval of the authorized project, the authorization may
8 terminate. The authorization terminates 30 days after the director
9 notifies the JCOS of the intent to terminate the project unless the
10 JCOS convenes to extend the authorization.

11 **DEPARTMENT OF TREASURY**

12 **OPERATIONS**

13 Sec. 901. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$1,000,000.00 for
15 federal contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in part 1 under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

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

25 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$200,000.00 for local

1 contingency funds. These funds are not available for expenditure
2 until they have been transferred to another line item in part 1
3 under section 393(2) of the management and budget act, 1984 PA 431,
4 MCL 18.1393.

5 (4) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$40,000.00 for private
7 contingency funds. These funds are not available for expenditure
8 until they have been transferred to another line item in part 1
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

11 Sec. 902. (1) Amounts needed to pay for interest, fees,
12 principal, mandatory and optional redemptions, arbitrage rebates as
13 required by federal law, and costs associated with the payment,
14 registration, trustee services, credit enhancements, and issuing
15 costs in excess of the amount appropriated to the department of
16 treasury in part 1 for debt service on notes and bonds that are
17 issued by the state under sections 14, 15, and 16 of article IX of
18 the state constitution of 1963 as implemented by 1967 PA 266, MCL
19 17.451 to 17.455, are appropriated.

20 (2) In addition to the amount appropriated to the department
21 of treasury for debt service in part 1, there is appropriated an
22 amount for fiscal year cash-flow borrowing costs to pay for
23 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
24 12.53.

25 (3) In addition to the amount appropriated to the department
26 of treasury for debt service in part 1, there is appropriated all
27 repayments received by the state on loans made from the school bond

1 loan fund not required to be deposited in the school loan revolving
2 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
3 the extent determined by the state treasurer, for the payment of
4 debt service, including, without limitation, optional and mandatory
5 redemptions, on bonds, notes or commercial paper issued by the
6 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

7 Sec. 902a. The department of treasury shall notify the senate
8 and house of representatives standing committees on appropriations,
9 the senate and house fiscal agencies, and the state budget office
10 not more than 30 days after a refunding or restructuring bond issue
11 is sold. The notification shall compare the annual debt service
12 prior to the refinancing or restructuring, the annual debt service
13 after the refinancing or restructuring, the change in the principal
14 and interest over the duration of the debt, and the projected
15 change in the present value of the debt service due to the
16 refinancing and restructuring.

17 Sec. 903. (1) From the funds appropriated in part 1, the
18 department of treasury may contract with private collection
19 agencies and law firms to collect taxes and other accounts due this
20 state. In addition to the amounts appropriated in part 1 to the
21 department of treasury, there are appropriated amounts necessary to
22 fund collection costs and fees not to exceed 25% of the collections
23 or 2.5% plus operating costs, whichever amount is prescribed by
24 each contract. The appropriation to fund collection costs and fees
25 for the collection of taxes or other accounts due this state are
26 from the fund or account to which the revenues being collected are
27 recorded or dedicated. However, if the taxes collected are

1 constitutionally dedicated for a specific purpose, the
2 appropriation of collection costs and fees are from the general
3 purpose account of the general fund.

4 (2) From the funds appropriated in part 1, the department of
5 treasury may contract with private collections agencies and law
6 firms to collect defaulted student loans and other accounts due the
7 Michigan guaranty agency. In addition to the amounts appropriated
8 in part 1 to the department of treasury, there are appropriated
9 amounts necessary to fund collection costs and fees not to exceed
10 24.34% of the collection or a lesser amount as prescribed by the
11 contract. The appropriation to fund collection costs and fees for
12 the auditing and collection of defaulted student loans due the
13 Michigan guaranty agency is from the fund or account to which the
14 revenues being collected are recorded or dedicated.

15 (3) The department of treasury shall submit a report for the
16 immediately preceding fiscal year ending September 30 to the state
17 budget director and the senate and house of representatives
18 standing committees on appropriations not later than November 30
19 stating the agencies or law firms employed, the amount of
20 collections for each, the costs of collection, and other pertinent
21 information relating to determining whether this authority should
22 be continued.

23 Sec. 903a. Not later than March 31, 2017, the department shall
24 submit a report to the house and senate appropriations chairs and
25 house and senate fiscal agencies regarding the performance of the
26 Michigan accounts receivable collections system. The report shall
27 include, but not be limited to, the following:

1 (a) Information regarding the department's current collection
2 strategies, including use of vendors or contractors.

3 (b) The type, value, and age of uncollected delinquent
4 accounts.

5 (c) Liquidation rates for delinquent accounts.

6 Sec. 904. (1) The department of treasury, through its bureau
7 of investments, may charge an investment service fee against the
8 applicable retirement funds. The fees may be expended for necessary
9 salaries, wages, contractual services, supplies, materials,
10 equipment, travel, worker's compensation insurance premiums, and
11 grants to the civil service commission and state employees'
12 retirement funds. Service fees shall not exceed the aggregate
13 amount appropriated in part 1. The department of treasury shall
14 maintain accounting records in sufficient detail to enable the
15 retirement funds to be reimbursed periodically for fee revenue that
16 is determined by the department of treasury to be surplus.

17 (2) In addition to the funds appropriated in part 1 from the
18 retirement funds to the department of treasury, there is
19 appropriated from retirement funds an amount sufficient to pay for
20 the services of money managers, investment advisors, investment
21 consultants, custodians, and other outside professionals, the state
22 treasurer considers necessary to prudently manage the retirement
23 funds' investment portfolios. The state treasurer shall report
24 annually to the senate and house of representatives standing
25 committees on appropriations and the state budget office concerning
26 the performance of each portfolio by investment advisor.

27 Sec. 904a. (1) There is appropriated an amount sufficient to

1 recognize and pay expenditures for financial services provided by
2 financial institutions as provided under section 1 of 1861 PA 111,
3 MCL 21.181.

4 (2) The appropriations under subsection (1) shall be funded by
5 restricting revenues from common cash interest earnings and
6 investment earnings in an amount sufficient to record these
7 expenditures.

8 Sec. 905. A revolving fund known as the municipal finance fee
9 fund is created in the department of treasury. Fees are established
10 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
11 to 141.2821, and the fees collected shall be credited to the
12 municipal finance fee fund and may be carried forward for future
13 appropriation.

14 Sec. 906. (1) The department of treasury shall charge for
15 audits as permitted by state or federal law or under contractual
16 arrangements with local units of government, other principal
17 executive departments, or state agencies. However, the charge shall
18 not be more than the actual cost for performing the audit. A report
19 detailing audits performed and audit charges for the immediately
20 preceding fiscal year shall be submitted to the state budget
21 director and the senate and house fiscal agencies not later than
22 November 30.

23 (2) A revolving fund known as the audit charges fund is
24 created in the department of treasury. The contractual charges
25 collected shall be credited to the audit charges fund and may be
26 carried forward for future appropriation.

27 Sec. 907. A revolving fund known as the assessor certification

1 and training fund is created in the department of treasury. The
2 assessor certification and training fund shall be used to organize
3 and operate a property assessor certification and training program.
4 Each participant certified and trained shall pay to the department
5 of treasury examination fees not to exceed \$50.00 per examination
6 and certification fees not to exceed \$175.00. Training courses
7 shall be offered in assessment administration. Each participant
8 shall pay a fee to cover the expenses incurred in offering the
9 optional programs to certified assessing personnel and other
10 individuals interested in an assessment career opportunity. The
11 fees collected shall be credited to the assessor certification and
12 training fund.

13 Sec. 908. The amount appropriated in part 1 to the department
14 of treasury, home heating assistance program, is to cover the
15 costs, including data processing, of administering federal home
16 heating credits to eligible claimants and to administer the
17 supplemental fuel cost payment program for eligible tax credit and
18 welfare recipients.

19 Sec. 909. Revenue from the airport parking tax act, 1987 PA
20 248, MCL 207.371 to 207.383, is appropriated and shall be
21 distributed under section 7a of the airport parking tax act, 1987
22 PA 248, MCL 207.377a.

23 Sec. 910. The disbursement by the department of treasury from
24 the bottle deposit fund to dealers as required by section 3c(2) of
25 1976 IL 1, MCL 445.573c, is appropriated.

26 Sec. 911. (1) There is appropriated an amount sufficient to
27 recognize and pay refundable income tax credits as provided by the

1 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 (2) The appropriations under subsection (1) shall be funded by
3 restricting income tax revenue in an amount sufficient to record
4 these expenditures.

5 Sec. 912. A plaintiff in a garnishment action involving this
6 state shall pay to the state treasurer 1 of the following:

7 (a) A fee of \$6.00 at the time a writ of garnishment of
8 periodic payments is served upon the state treasurer, as provided
9 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
10 MCL 600.4012.

11 (b) A fee of \$6.00 at the time any other writ of garnishment
12 is served upon the state treasurer, except that the fee shall be
13 reduced to \$5.00 for each writ of garnishment for individual income
14 tax refunds or credits filed by magnetic media.

15 Sec. 913. (1) The department of treasury may contract with
16 private firms to appraise and, if necessary, appeal the assessments
17 of senior citizen cooperative housing units. Payment for this
18 service shall be from savings resulting from the appraisal or
19 appeal process.

20 (2) Of the funds appropriated in part 1 to the department of
21 treasury for the senior citizens' cooperative housing tax exemption
22 program, a portion may be utilized for a program audit of the
23 program. The department of treasury shall forward copies of any
24 audit report completed to the senate and house of representatives
25 standing committees on appropriations subcommittees on general
26 government and to the state budget office. The department of
27 treasury may utilize up to 1% of the funds for program

1 administration and auditing.

2 Sec. 914. The department of treasury may provide a \$200.00
3 annual prize from the Ehlers internship award account in the gifts,
4 bequests, and deposit fund to the runner-up of the Rosenthal prize
5 for interns. The Ehlers internship award account is interest
6 bearing.

7 Sec. 915. Pursuant to section 61 of the Michigan campaign
8 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
9 the general fund to the state campaign fund an amount equal to the
10 amounts designated for tax year 2015. Except as otherwise provided
11 in this section, the amount appropriated shall not revert to the
12 general fund and shall remain in the state campaign fund. Any
13 amounts remaining in the state campaign fund in excess of
14 \$10,000,000.00 on December 31 shall revert to the general fund.

15 Sec. 916. The department of treasury may make available to
16 interested entities otherwise unavailable customized unclaimed
17 property listings of nonconfidential information in its possession.
18 The charge for this information is as follows: 1 to 100,000 records
19 at 2.5 cents per record and 100,001 or more records at .5 cents per
20 record. The revenue received from this service shall be deposited
21 to the appropriate revenue account or fund. The department shall
22 submit an annual report on or before June 1 to the state budget
23 director and the senate and house of representatives standing
24 committees on appropriations that states the amount of revenue
25 received from the sale of information.

26 Sec. 917. (1) There is appropriated for write-offs and
27 advances an amount equal to total write-offs and advances for

1 departmental programs, but not to exceed current year
2 authorizations that would otherwise lapse to the general fund.

3 (2) The department of treasury shall submit a report for the
4 immediately preceding fiscal year to the state budget director and
5 the senate and house fiscal agencies not later than November 30
6 stating the amounts appropriated for write-offs and advances under
7 subsection (1).

8 Sec. 919. (1) From funds appropriated in part 1, the
9 department of treasury may contract with private auditing firms to
10 audit for and collect unclaimed property due this state in
11 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
12 567.221 to 567.265. In addition to the amounts appropriated in part
13 1 to the department of treasury, there are appropriated amounts
14 necessary to fund auditing and collection costs and fees not to
15 exceed 12% of the collections, or a lesser amount as prescribed by
16 the contract. The appropriation to fund collection costs and fees
17 for the auditing and collection of unclaimed property due this
18 state is from the fund or account to which the revenues being
19 collected are recorded or dedicated.

20 (2) The department of treasury shall submit a report for the
21 immediately preceding fiscal year ending September 30 to the state
22 budget director and the senate and house of representatives
23 standing committees on appropriations not later than November 30
24 stating the auditing firms employed, the amount of collections for
25 each, the costs of collection, and other pertinent information
26 relating to determining whether this authority should be continued.

27 Sec. 924. (1) In addition to the funds appropriated in part 1,

1 the department of treasury may receive and expend principal
2 residence audit fund revenue for administration of principal
3 residence audits under the general property tax act, 1893 PA 206,
4 MCL 211.1 to 211.155.

5 (2) The department of treasury shall submit a report for the
6 immediately preceding fiscal year to the state budget director and
7 the senate and house fiscal agencies not later than December 31
8 stating the amount of exemptions denied and the revenue received
9 under the program.

10 Sec. 926. Unexpended appropriations of the John R. Justice
11 grant program are designated as work project appropriations and
12 shall not lapse at the end of the fiscal year and shall continue to
13 be available for expenditure until the project has been completed.
14 The following is in compliance with section 451a of the management
15 and budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the project is to provide student loan
17 forgiveness to qualified public defenders and prosecutors.

18 (b) The project will be accomplished by utilizing state
19 employees or contracts with private vendors, or both.

20 (c) The total estimated cost of the project is \$288,100.00.

21 (d) The tentative completion date is September 30, 2017.

22 Sec. 927. The department of treasury shall submit annual
23 progress reports to the senate and house of representatives
24 standing committees on appropriations subcommittees on general
25 government and the senate and house fiscal agencies, regarding
26 personal property tax audits. The report shall include the number
27 of audits, revenue generated, and number of complaints received by

1 the department related to the audits.

2 Sec. 928. The department of treasury may provide receipt,
3 warrant and cash processing, data, collection, investment, fiscal
4 agent, levy and warrant cost assessment, writ of garnishment, and
5 other user services on a contractual basis for other principal
6 executive departments and state agencies. Funds for the services
7 provided are appropriated and shall be expended for salaries and
8 wages, fees, supplies, and equipment necessary to provide the
9 services. Any unobligated balance of the funds received shall
10 revert to the general fund of this state as of September 30.

11 Sec. 930. (1) The department of treasury shall provide
12 accounts receivable collections services to other principal
13 executive departments and state agencies under 1927 PA 375, MCL
14 14.131 to 14.134. The department of treasury shall deduct a fee
15 equal to the cost of collections from all receipts except
16 unrestricted general fund collections. Fees shall be credited to a
17 restricted revenue account and appropriated to the department of
18 treasury to pay for the cost of collections. The department of
19 treasury shall maintain accounting records in sufficient detail to
20 enable the respective accounts to be reimbursed periodically for
21 fees deducted that are determined by the department of treasury to
22 be surplus to the actual cost of collections.

23 (2) The department of treasury shall submit a report for the
24 immediately preceding fiscal year to the state budget director and
25 the senate and house fiscal agencies not later than November 30
26 stating the principal executive departments and state agencies
27 served, funds collected, and costs of collection under subsection

1 (1).

2 Sec. 931. (1) The appropriation in part 1 to the department of
3 treasury for treasury fees shall be assessed against all restricted
4 funds that receive common cash earnings or other investment income.
5 Treasury fees include all costs, including administrative overhead,
6 relating to the investment of each restricted fund. The fee
7 assessed against each restricted fund will be based on the size of
8 the restricted fund (the absolute value of the average daily cash
9 balance plus the market value of investments in the prior fiscal
10 year) and the level of effort necessary to maintain the restricted
11 fund as required by each department. The department of treasury
12 shall provide a report to the state budget director, the senate and
13 house of representatives standing committees on appropriations
14 subcommittees on general government, and the senate and house
15 fiscal agencies by November 30 of each year identifying the fees
16 assessed against each restricted fund and the methodology used for
17 assessment.

18 (2) In addition to the funds appropriated in part 1, the
19 department of treasury may receive and expend investment fees
20 relating to new restricted funding sources that participate in
21 common cash earnings or other investment income during the current
22 fiscal year. When a new restricted fund is created starting on or
23 after October 1, that restricted fund shall be assessed a fee using
24 the same criteria identified in subsection (1).

25 Sec. 932. Revenue received under the Michigan education trust
26 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
27 board of directors of the Michigan education trust for necessary

1 salaries, wages, supplies, contractual services, equipment,
2 worker's compensation insurance premiums, and grants to the civil
3 service commission and state employees' retirement fund.

4 Sec. 934. (1) The department of treasury may expend revenues
5 received under the hospital finance authority act, 1969 PA 38, MCL
6 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
7 141.1051 to 141.1076, the higher education facilities authority
8 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
9 educational facilities authority, Executive Reorganization Order
10 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
11 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
12 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
13 the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.50501 to 324.50522, the state housing development
15 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
16 the Michigan finance authority, Executive Reorganization Order No.
17 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
18 contractual services, equipment, worker's compensation insurance
19 premiums, grants to the civil service commission and state
20 employees' retirement fund, and other expenses as allowed under
21 those acts.

22 (2) The department of treasury shall report by January 31 to
23 the senate and house appropriations subcommittees, the senate and
24 house fiscal agencies, and the state budget director on the amount
25 and purpose of expenditures made under subsection (1) from funds
26 received in addition to those appropriated in part 1. The report
27 shall also include a listing of reimbursement of revenue, if any.

1 The report shall cover the 2015-2016 fiscal year.

2 Sec. 935. The funds appropriated in part 1 for dual enrollment
3 payments for an eligible student enrolled in a state-approved
4 nonpublic school shall be distributed as provided under the
5 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
6 388.524, and the career and technical preparation act, 2000 PA 258,
7 MCL 388.1901 to 388.1913, in a form and manner as determined by the
8 department of treasury.

9 Sec. 944. If the department of treasury hires a pension plan
10 consultant using any of the funds appropriated in part 1, the
11 department shall retain any report provided to the department by
12 that consultant and shall make that report available upon request
13 to the senate and house of representatives standing committees on
14 appropriations subcommittees on general government, the senate and
15 house fiscal agencies, and the state budget director.

16 Sec. 945. The appraisal quality assurance project manager of
17 the department of treasury shall conduct a review of local unit
18 assessment administration practices, procedures, and records, also
19 known as the audit of minimal assessing requirements, in at least 1
20 assessment jurisdiction per county.

21 Sec. 946. Revenue collected in the convention facility
22 development fund is appropriated and shall be distributed under
23 sections 8 and 9 of the state convention facility development act,
24 1985 PA 106, MCL 207.628 and 207.629.

25 Sec. 947. Financial independence teams shall cooperate with
26 the financial responsibility section to coordinate and streamline
27 efforts in identifying and addressing fiscal emergencies in school

1 districts and intermediate school districts.

2 Sec. 948. Total authorized appropriations from all department
3 of treasury sources under part 1 for legacy costs for the fiscal
4 year ending September 30, 2017 are \$49,651,800.00. From this
5 amount, total agency appropriations for pension-related legacy
6 costs are estimated at \$27,530,500.00. Total agency appropriations
7 for retiree health care legacy costs are estimated at
8 \$22,121,300.00.

9 Sec. 949. (1) From the funds appropriated in part 1, the
10 department of treasury may contract with private agencies to
11 prevent the disbursement of fraudulent tax refunds. In addition to
12 the amounts appropriated in part 1 to the department of treasury,
13 there are appropriated amounts necessary to pay contract costs or
14 fund operations designed to reduce fraudulent income tax refund
15 payments not to exceed \$1,600,000.00 of the refunds identified as
16 potentially fraudulent and for which payment of the refund is
17 denied. The appropriation to fund fraud prevention efforts is from
18 the fund or account to which the revenues being collected are
19 recorded or dedicated.

20 (2) The department of treasury shall submit a report for the
21 immediately preceding fiscal year ending September 30 to the state
22 budget director and the senate and house of representatives
23 standing committees on appropriations not later than November 30
24 stating the number of refund claims denied due to the fraud
25 prevention operations, the amount of refunds denied, the costs of
26 the fraud prevention operations, and other pertinent information
27 relating to determining whether this authority should be continued.

1 Sec. 949b. (1) From the funds appropriated in part 1 for the
2 city income tax administration program, the department of treasury
3 shall administer the city income tax administration program.

4 (2) The department of treasury shall identify specific
5 outcomes and performance measures for this initiative, including,
6 but not limited to, the treasury's ability to track and reduce
7 fraudulent returns by expanding compliance and enforcement
8 services. This will benefit cities in this state by allowing the
9 taxpayer to e-file the city return as part of the state return.

10 Sec. 949d. (1) From the funds appropriated in part 1 for
11 financial review commission, the department shall continue
12 financial review commission efforts in the current fiscal year. The
13 purpose of the funding is to provide ongoing costs associated with
14 the operation of the commission.

15 (2) The department shall identify specific outcomes and
16 performance measures for this initiative, including, but not
17 limited to, the department's ability to perform a critical fiscal
18 review to ensure the city of Detroit does not reenter distress
19 following its exit from bankruptcy.

20 Sec. 949e. From the funds appropriated in part 1 for the state
21 essential services assessment program, the department of treasury
22 shall administer the state essential services assessment program.
23 The program will provide the department the ability to collect the
24 state essential services assessment which is a phased-in
25 replacement of locally collected personal property taxes on
26 eligible manufacturing personal property.

27 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA

1 327, MCL 205.421 to 205.436, related to counties with a 2000
2 population of more than 2,000,000 is appropriated and shall be
3 distributed under section 12(4)(d) of the tobacco products tax act,
4 1993 PA 327, MCL 205.432.

5 Sec. 949g. From the funds appropriated in part 1 for urban
6 search and rescue task force, \$500,000.00 shall be expended to
7 support the urban search and rescue task force. In distributing
8 funds under this section, the department of treasury shall require
9 the task force to provide to the department the following
10 information:

11 (a) A final year-end report providing information on all
12 revenue received by source and expenditures by categories, with the
13 funds distributed to the task force under section 949g of article
14 VIII of 2015 PA 84 discretely presented.

15 (b) Detail on the proposed expenditure of the funds
16 distributed under this section.

17 (c) A final year-end report providing information on all
18 revenue received by source and expenditures by categories, with the
19 funds distributed under this section discretely presented.

20 **REVENUE SHARING**

21 Sec. 950. The funds appropriated in part 1 for constitutional
22 revenue sharing shall be distributed by the department of treasury
23 to cities, villages, and townships, as required under section 10 of
24 article IX of the state constitution of 1963. Revenue collected in
25 accordance with section 10 of article IX of the state constitution
26 of 1963 in excess of the amount appropriated in part 1 for
27 constitutional revenue sharing is appropriated for distribution to

1 cities, villages, and townships, on a population basis as required
2 under section 10 of article IX of the state constitution of 1963.

3 Sec. 951. (1) The funds appropriated in part 1 for the
4 competitive grant assistance program are to be used for assistance
5 grants to cities, villages, townships, and counties to offset the
6 costs associated with mergers, interlocal agreements, and
7 cooperative efforts for those cities, villages, townships, and
8 counties that elect to combine government operations. The
9 department of treasury shall develop an application process and
10 method of grant distribution.

11 (2) The unexpended funds appropriated in part 1 for the
12 competitive grant assistance program are designated as work project
13 appropriations, and any unencumbered or unallotted funds shall not
14 lapse at the end of the fiscal year and shall be available for
15 expenditure for projects under this section until the projects have
16 been completed. The following is in compliance with section 451a of
17 the management and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the projects is to provide incentive-based
19 grants to recipients under this section.

20 (b) The projects will be accomplished by grants to qualified
21 governmental units.

22 (c) The total estimated cost of all projects is \$5,200,000.00.

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

24 Sec. 952. (1) The funds appropriated in part 1 for city,
25 village, and township revenue sharing are for grants to cities,
26 villages, and townships such that, subject to fulfilling the
27 requirements under subsection (3), each city, village, or township

1 is eligible to receive 100% of its eligible payment under section
2 952 of article VIII of 2015 PA 84. For purposes of this subsection,
3 any city, village, or township that completely merges with another
4 city, village, or township will be treated as a single entity, such
5 that when determining the eligible payment under section 952 of
6 article VIII of 2015 PA 84 for the combined single entity, the
7 amount each of the merging local units was eligible to receive
8 under section 952 of article VIII of 2015 PA 84 is summed. For
9 purposes of this subsection, population is determined in the same
10 manner as under section 3 of the Glenn Steil state revenue sharing
11 act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or
12 village that according to the 2010 federal decennial census is
13 determined to have population in more than 1 county shall be
14 treated as a single entity when determining the eligible payment
15 under section 952 of article VIII of 2015 PA 84.

16 (2) The funds appropriated in part 1 for the county incentive
17 program are to be used for grants to counties such that each county
18 is eligible to receive an amount equal to the amount by which the
19 balance in its revenue sharing reserve fund under section 44a of
20 the general property tax act, 1893 PA 206, MCL 211.44a, for the
21 county's most recent fiscal year that ends prior to the January 1
22 of the state's fiscal year is less than the amount calculated under
23 section 44a(14) of the general property tax act, 1893 PA 206, MCL
24 211.44a, for the county fiscal year that begins in the state's
25 fiscal year. The amount calculated under this subsection shall be
26 adjusted as necessary to reflect partial county fiscal years and
27 prorated based on the total amount appropriated for distribution to

1 all eligible counties. Except as otherwise provided under this
2 subsection, payments under this subsection will be distributed to
3 an eligible county subject to the county's fulfilling the
4 requirements under subsection (3).

5 (3) For purposes of accountability and transparency, each
6 eligible city, village, township, or county shall certify by
7 December 1, or the first day of a payment month, that it has
8 produced a citizen's guide of its most recent local finances,
9 including a recognition of its unfunded liabilities; a performance
10 dashboard; a debt service report containing a detailed listing of
11 its debt service requirements, including, at a minimum, the
12 issuance date, issuance amount, type of debt instrument, a listing
13 of all revenues pledged to finance debt service by debt instrument,
14 and a listing of the annual payment amounts until maturity; and a
15 projected budget report, including, at a minimum, the current
16 fiscal year and a projection for the immediately following fiscal
17 year. The projected budget report shall include revenues and
18 expenditures and an explanation of the assumptions used for the
19 projections. Each eligible city, village, township, or county shall
20 include in any mailing of general information to its citizens the
21 Internet website address location for its citizen's guide,
22 performance dashboard, debt service report, and projected budget
23 report or the physical location where these documents are available
24 for public viewing in the city, village, township, or county
25 clerk's office. Each city, village, township, and county applying
26 for a payment under this subsection shall submit a copy of the
27 citizen's guide, a copy of the performance dashboard, a copy of the

1 debt service report, and a copy of the projected budget report to
2 the department of treasury. The department of treasury shall
3 develop detailed guidance for a city, village, township, or county
4 to follow to meet the requirements of this subsection. The detailed
5 guidance shall be posted on the department of treasury website and
6 distributed to cities, villages, townships, and counties by October
7 1.

8 (4) City, village, and township revenue sharing payments and
9 county incentive program payments are subject to the following
10 conditions:

11 (a) The city, village, township, or county shall certify to
12 the department that it has met the required criteria for subsection
13 (3) and submitted the required citizen's guide, performance
14 dashboard, debt service report, and projected budget report as
15 required by subsection (3). A department of treasury review of the
16 citizen's guide, dashboard, or reports is not required in order for
17 a city, village, township, or county to receive a payment under
18 subsection (1) or (2). The department shall develop a certification
19 process and method for cities, villages, townships, and counties to
20 follow.

21 (b) Subject to subdivisions (c), (d), and (e), if a city,
22 village, township, or county meets the requirements of subsection
23 (3), the city, village, township, or county shall receive its full
24 potential payment under this section.

25 (c) Cities, villages, and townships eligible to receive a
26 payment under subsection (1) shall receive 1/6 of their eligible
27 payment on the last business day of October, December, February,

1 April, June, and August. Payments under subsection (1) shall be
2 issued to cities, villages, and townships until the specified due
3 date for subsection (3). After the specified due date for
4 subsection (3), payments shall be made to a city, village, or
5 township only if that city, village, or township has complied with
6 subdivision (a).

7 (d) Payments under subsection (2) shall be issued to counties
8 until the specified due date for subsection (3). After the
9 specified due date for subsection (3), payments shall be made to a
10 county only if that county has complied with subdivision (a).

11 (e) If a city, village, township, or county does not provide
12 the required certification, citizen's guide, performance dashboard,
13 debt service report, and projected budget report by the first day
14 of a payment month, the city, village, township, or county shall
15 forfeit the payment in that payment month.

16 (f) Any city, village, township, or county that falsifies
17 certification documents shall forfeit any future city, village, and
18 township revenue sharing payments or county incentive program
19 payments and shall repay to this state all payments it has received
20 under this section.

21 (g) City, village, and township revenue sharing payments and
22 county incentive program payments under this section shall be
23 distributed on the last business day of October, December,
24 February, April, June, and August.

25 (h) Payments distributed under this section may be withheld
26 pursuant to sections 17a and 21 of the Glenn Steil state revenue
27 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

1 (5) The unexpended funds appropriated in part 1 for city,
2 village, and township revenue sharing and the county incentive
3 program shall be available for expenditure under the program for
4 financially distressed cities, villages, or townships after the
5 approval of transfers by the legislature pursuant to section 393(2)
6 of the management and budget act, 1984 PA 431, MCL 18.1393.

7 Sec. 955. (1) The funds appropriated in part 1 for county
8 revenue sharing shall be distributed by the department of treasury
9 to eligible counties pursuant to the Glenn Steil state revenue
10 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

11 (2) The department of treasury shall annually certify to the
12 state budget director the amount each county is authorized to
13 expend from its revenue sharing reserve fund.

14 Sec. 956. (1) The funds appropriated in part 1 for financially
15 distressed cities, villages, and townships shall be granted by the
16 department of treasury to cities, villages, and townships that have
17 1 or more conditions that indicate probable financial distress, as
18 determined by the department of treasury. A city, village, or
19 township with 1 or more conditions that indicate probable financial
20 distress may apply in a manner determined by the department of
21 treasury for a grant to pay for specific projects or services that
22 move the city, village, or township toward financial stability.
23 Grants are to be used for specific projects or services that move
24 the city, village, or township toward financial stability. The
25 city, village, or township may use, but is not limited to using,
26 the grants under this section to make payments to reduce unfunded
27 accrued liability; to repair or replace critical infrastructure and

1 equipment owned or maintained by the city, village, or township; to
2 reduce debt obligations; or for costs associated with a transition
3 to shared services with another jurisdiction. The department of
4 treasury shall award no more than \$2,000,000.00 to any city,
5 village, or township under this section.

6 (2) The department of treasury shall provide a report to the
7 senate and house of representatives appropriations subcommittees on
8 general government, the senate and house fiscal agencies, and the
9 state budget office by March 31. The report shall include a list by
10 grant recipient of the date each grant was approved, the amount of
11 the grant, and a description of the project or projects that will
12 be paid by the grant.

13 (3) The unexpended funds appropriated in part 1 for
14 financially distressed cities, villages, and townships are
15 designated as a work project appropriation, and any unencumbered or
16 unallotted funds shall not lapse at the end of the fiscal year and
17 shall be available for expenditure for projects under this section
18 until the projects have been completed. The following is in
19 compliance with section 451a of the management and budget act, 1984
20 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to provide assistance to
22 financially distressed cities, villages, and townships under this
23 section.

24 (b) The projects will be accomplished by grants to cities,
25 villages, and townships approved by the department of treasury.

26 (c) The total estimated cost of all projects is \$5,000,000.00.

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

1 Sec. 957. (1) From the increased funds appropriated in part 1
2 for the competitive grant assistance program, the department shall
3 provide assistance grants to cities, villages, townships, and
4 counties that elect to combine government operations.

5 (2) The department shall identify specific outcomes and
6 performance metrics for this initiative, including, but not limited
7 to, the following:

8 (a) Grants awarded.

9 (b) Mergers of 2 or more governmental units.

10 (c) Consolidations of operations or existing services of 2 or
11 more governmental units.

12 (d) Cooperative efforts between 2 or more governmental units.

13 **BUREAU OF STATE LOTTERY**

14 Sec. 960. In addition to the funds appropriated in part 1 to
15 the bureau of state lottery, there is appropriated from state
16 lottery fund revenues the amount necessary for, and directly
17 related to, implementing and operating lottery games under the
18 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
19 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
20 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
21 expenditures for contractually mandated payments for vendor
22 commissions, contractually mandated payments for instant tickets
23 intended for resale, the contractual costs of providing and
24 maintaining the online system communications network, and incentive
25 and bonus payments to lottery retailers.

26 Sec. 963. The bureau of state lottery shall inform all lottery
27 retailers that the cash side of MDHHS bridge cards cannot be used

1 to purchase lottery tickets.

2 Sec. 964. For the bureau of the state lottery, there is
3 appropriated 1% of the lottery's prior fiscal year's gross sales or
4 \$23,000,000.00, whichever is less, for promotion and advertising.

5 **CASINO GAMING**

6 Sec. 971. From the revenue collected by the Michigan gaming
7 control board regarding the total annual assessment of each casino
8 licensee, \$2,000,000.00 is appropriated and shall be deposited in
9 the compulsive gaming prevention fund as described in section
10 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
11 MCL 432.212a.

12 Sec. 973. (1) Funds appropriated in part 1 for local
13 government programs may be used to provide assistance to a local
14 revenue sharing board referenced in an agreement authorized by the
15 Indian gaming regulatory act, Public Law 100-497.

16 (2) A local revenue sharing board described in subsection (1)
17 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
18 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
19 to 15.246.

20 (3) A county treasurer is authorized to receive and administer
21 funds received for and on behalf of a local revenue sharing board.
22 Funds appropriated in part 1 for local government programs may be
23 used to audit local revenue sharing board funds held by a county
24 treasurer. This section does not limit the ability of local units
25 of government to enter into agreements with federally recognized
26 Indian tribes to provide financial assistance to local units of
27 government or to jointly provide public services.

1 (4) A local revenue sharing board described in subsection (1)
2 shall comply with all applicable provisions of any agreement
3 authorized by the Indian gaming regulatory act, Public Law 100-497,
4 in which the local revenue sharing board is referenced, including,
5 but not limited to, the disbursement of tribal casino payments
6 received under applicable provisions of the tribal-state class III
7 gaming compact in which those funds are received.

8 (5) The director of the department of state police and the
9 executive director of the Michigan gaming control board are
10 authorized to assist the local revenue sharing boards in
11 determining allocations to be made to local public safety
12 organizations.

13 (6) The Michigan gaming control board shall submit a report by
14 September 30 to the senate and house of representatives standing
15 committees on appropriations and the state budget director on the
16 receipts and distribution of revenues by local revenue sharing
17 boards.

18 Sec. 974. If revenues collected in the state services fee fund
19 are less than the amounts appropriated from the fund, available
20 revenues shall be used to fully fund the appropriation in part 1
21 for casino gaming regulation activities before distributions are
22 made to other state departments and agencies. If the remaining
23 revenue in the fund is insufficient to fully fund appropriations to
24 other state departments or agencies, the shortfall shall be
25 distributed proportionally among those departments and agencies.

26 Sec. 976. The executive director of the Michigan gaming
27 control board may pay rewards of not more than \$5,000.00 to a

1 person who provides information that results in the arrest and
2 conviction on a felony or misdemeanor charge for a crime that
3 involves the horse racing industry. A reward paid pursuant to this
4 section shall be paid out of the appropriation in part 1 for the
5 racing commission.

6 Sec. 977. All appropriations from the Michigan agriculture
7 equine industry development fund, except for the racing commission
8 and laboratory analysis program appropriations, shall be reduced
9 proportionately if revenues to the Michigan agriculture equine
10 industry development fund decline during the fiscal year ending
11 September 30, 2017 to a level lower than the amount appropriated in
12 part 1.

13 Sec. 978. The Michigan gaming control board shall use actual
14 expenditure data in determining the actual regulatory costs of
15 conducting racing dates and shall provide that data to the senate
16 and house appropriations subcommittees on agriculture and general
17 government, the state budget office, and the senate and house
18 fiscal agencies. The Michigan gaming control board shall not be
19 reimbursed for more than the actual regulatory cost of conducting
20 race dates. If a certified horsemen's organization funds more than
21 the actual regulatory cost, the balance shall remain in the
22 agriculture equine industry development fund to be used to fund
23 subsequent race dates conducted by race meeting licensees with
24 which the certified horsemen's organization has contracts. If a
25 certified horsemen's organization funds less than the actual
26 regulatory costs of the additional horse racing dates, the Michigan
27 gaming control board shall reduce the number of future race dates

1 conducted by race meeting licensees with which the certified
2 horsemen's organization has contracts. Prior to the reduction in
3 the number of authorized race dates due to budget deficits, the
4 executive director of the Michigan gaming control board shall
5 provide notice to the certified horsemen's organizations with an
6 opportunity to respond with alternatives. In determining actual
7 costs, the Michigan gaming control board shall take into account
8 that each specific breed may require different regulatory
9 mechanisms.

10 Sec. 979. In addition to the funds appropriated in part 1, the
11 Michigan gaming control board may receive and expend state lottery
12 fund revenue in an amount not to exceed \$4,000,000.00 for necessary
13 expenses incurred in the licensing and regulation of millionaire
14 parties pursuant to Executive Order No. 2012-4. In accordance with
15 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
16 382, MCL 432.108, the amount of necessary expenses shall not exceed
17 the amount of revenue received under that act. The Michigan gaming
18 control board shall provide a report to the senate and house of
19 representatives appropriations subcommittees on general government,
20 the senate and house fiscal agencies, and the state budget office
21 by April 15. The report shall include, but not be limited to, total
22 expenditures related to the licensing and regulating of millionaire
23 parties, steps taken to ensure charities are receiving revenue due
24 to them, progress on promulgating rules to ensure compliance with
25 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
26 to 432.120, and any enforcement actions taken.

1 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

2 Sec. 980. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$30,000,000.00 for
4 federal contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

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

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

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

26 Sec. 981. Total authorized appropriations from all sources
27 under part 1 for legacy costs for the fiscal year ending September

1 30, 2017 are \$35,083,100.00. From this amount, total agency
2 appropriations for pension-related legacy costs are estimated at
3 \$19,452,700.00. Total agency appropriations for retiree health care
4 legacy costs are estimated at \$15,630,400.00.

5 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

6 Sec. 990. MSHDA shall annually present a report to the state
7 budget office and the subcommittees on the status of the
8 authority's housing production goals under all financing programs
9 established or administered by the authority. The report shall give
10 special attention to efforts to raise affordable multifamily
11 housing production goals.

12 Sec. 991. MSHDA shall report to the subcommittees, the state
13 budget director, and the fiscal agencies by December 1 on the
14 status of the loans entered into by the Michigan broadband
15 development authority.

16 Sec. 994. In addition to the funds appropriated in part 1, the
17 funds collected by state historic preservation programs for
18 document reproduction and services and application fees are
19 appropriated for all expenses necessary to provide the required
20 services. These funds are available for expenditure when they are
21 received and may be carried forward into the succeeding fiscal
22 year.

23 Sec. 995. In addition to the amounts appropriated in part 1,
24 the land bank fast track authority may expend revenues received
25 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
26 124.774, for the purposes authorized by the act, including, but not
27 limited to, the acquisition, lease, management, demolition,

1 maintenance, or rehabilitation of real or personal property,
2 payment of debt service for notes or bonds issued by the authority,
3 and other expenses to clear or quiet title property held by the
4 authority.

5 **MICHIGAN STRATEGIC FUND**

6 Sec. 1005. In addition to the appropriations in part 1, Travel
7 Michigan may receive and expend private revenue related to the use
8 of "Pure Michigan" and all other copyrighted slogans and images.
9 This revenue may come from the direct licensing of the name and
10 image or from the royalty payments from various merchandise sales.
11 Revenue collected is appropriated for the marketing of the state as
12 a travel destination. The funds are available for expenditure when
13 they are received by the department of treasury. The fund shall
14 provide a report that lists the revenues by source received from
15 the use of "Pure Michigan" and all other copyrighted slogans and
16 images. The report shall provide a detailed list of expenditures of
17 revenues received under this section. The report shall be provided
18 to the appropriations subcommittees on general government, the
19 fiscal agencies, and the state budget office by June 1.

20 Sec. 1007. (1) The fund shall provide reports to the relevant
21 subcommittees, the state budget director, and the fiscal agencies
22 concerning the activities of the MEDC grants and investment
23 programs financed from the fund using investment, Indian gaming
24 revenues, or other revenues. The report shall provide a list of
25 individual grants, loans, and investments made from the fund or by
26 the MEDC from the funds appropriated in part 1 and shall include
27 the name of the recipient, the amount awarded to the recipient, and

1 the purpose of the grant. The activities report shall also include,
2 but not be limited to, the following programs funded in part 1:

3 (a) Travel Michigan, including any expenditures authorized
4 under section 89b of the Michigan strategic fund act, 1984 PA 270,
5 MCL 125.2089b, to supplement the Michigan promotion program or Pure
6 Michigan programs. The report shall include the number of
7 commercials produced, the types of media purchased, and the target
8 of tourism promotion used in Michigan tourism promotion material.

9 (b) Business attraction, retention, and growth, including any
10 expenditures authorized under section 89b of the Michigan strategic
11 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
12 business marketing program. The report shall include the number of
13 commercials produced, the markets in which media buys have been
14 made, and any web-based products that were created as a result of
15 this appropriation.

16 (c) Business services.

17 (d) Community development block grants.

18 (e) Strategic fund administration.

19 (f) Renaissance zones.

20 (g) 21st century investment program.

21 (h) Business and clean air ombudsman.

22 (i) Michigan business development program.

23 (j) Community revitalization program.

24 (k) Any other programs of the fund.

25 (2) As a condition of the expenditure of funds appropriated in
26 part 1 for business attraction and community revitalization, the
27 fund shall submit a report to the chairpersons of the senate and

1 house of representatives standing committees on appropriations, the
2 chairpersons of the senate and house of representatives standing
3 committees on appropriations subcommittees on general government,
4 the senate and house fiscal agencies, and the state budget office
5 that provides performance metrics for the Michigan business
6 development program and community revitalization program. The
7 report shall include, but is not limited to, all of the following
8 for all appropriated funds that are available during the fiscal
9 year:

10 (a) Total verified jobs created, as required by statute,
11 compared to total committed jobs.

12 (b) Total actual private investment compared to total
13 projected private investment.

14 (c) An estimate of the return on investment to the state as a
15 result of the incentives.

16 (d) A listing of projects previously awarded incentives that
17 were revoked and the reason for revocation.

18 (e) A listing of projects that had incentive contracts amended
19 by the fund or MEDC. The listing shall include a detailed listing
20 of the amendments made to the contract.

21 (3) The reports in subsections (1) and (2) shall be submitted
22 by February 15. The report for each program in subsection (1)(a)
23 through (k) shall include details on all revenue sources, actual
24 expenditures, and number of FTEs for that program for the previous
25 fiscal year.

26 Sec. 1008. As a condition of receiving funds under part 1, any
27 interlocal agreement entered into by the fund shall include

1 language which states that if a local unit of government has a
2 contract or memorandum of understanding with a private economic
3 development agency, the MEDC will work cooperatively with that
4 private organization in that local area.

5 Sec. 1009. (1) Of the funds appropriated to the fund or
6 through grants to the MEDC, no funds shall be expended for the
7 purchase of options on land or the purchase of land unless at least
8 1 of the following conditions applies:

9 (a) The land is located in an economically distressed area.

10 (b) The land is obtained through a purchase or exercise of an
11 option at the invitation of the local unit of government and local
12 economic development agency.

13 (2) Consideration may be given to purchases where the proposed
14 use of the land is consistent with a regional land use plan, will
15 result in the redevelopment of an economically distressed area, can
16 be supported by existing infrastructure, and will not cause shifts
17 in population away from the area's population centers.

18 (3) As used in this section, "economically distressed area"
19 means an area in a city, village, or township that has been
20 designated as blighted; a city, village, or township that shows
21 negative population change from 1970 and a poverty rate and
22 unemployment rate greater than the statewide average; or an area
23 certified as a neighborhood enterprise zone under the neighborhood
24 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

25 Sec. 1010. As a condition for receiving funds in part 1, not
26 later than February 15, the fund shall provide a report for the
27 immediately preceding fiscal year on the jobs for Michigan

1 investment fund, created in section 88h of the Michigan strategic
2 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
3 to the chairpersons of the senate and house of representatives
4 standing committees on appropriations, the chairpersons of the
5 senate and house of representatives standing committees on
6 appropriations subcommittees on general government, the senate and
7 house fiscal agencies, and the state budget office. The report
8 shall include, but is not limited to, all of the following:

9 (a) A detailed listing of revenues, by fund source, to the
10 jobs for Michigan investment fund. The listing shall include the
11 manner and reason for which the funds were appropriated to the jobs
12 for Michigan investment fund.

13 (b) A detailed listing of expenditures, by project, from the
14 jobs for Michigan investment fund.

15 (c) A fiscal year-end balance of the jobs for Michigan
16 investment fund.

17 Sec. 1011. (1) From the appropriations in part 1 to the fund
18 and granted or transferred to the MEDC, any unexpended or
19 unencumbered balance shall be disposed of in accordance with the
20 requirements in the management and budget act, 1984 PA 431, MCL
21 18.1101 to 18.1594, unless carryforward authorization has been
22 otherwise provided for.

23 (2) Any encumbered funds shall be used for the same purposes
24 for which funding was originally appropriated in this part and part
25 1.

26 Sec. 1012. (1) As a condition of receiving funds under part 1,
27 the fund shall ensure that the MEDC and the fund comply with all of

1 the following:

2 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
3 15.246.

4 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

5 (c) Annual audits of all financial records by the auditor
6 general or his or her designee.

7 (d) All reports required by law to be submitted to the
8 legislature.

9 (2) If the MEDC is unable for any reason to perform duties
10 under this part, the fund may exercise those duties.

11 Sec. 1013. As a condition for receiving the appropriations in
12 part 1, any staff of the MEDC involved in private fund-raising
13 activities shall not be party to any decisions regarding the
14 awarding of grants, incentives, or tax abatements from the fund,
15 the MEDC, or the Michigan economic growth authority.

16 Sec. 1014. (1) All funds received from repayment of loans,
17 unused grants, revenues received from sales or cash flow
18 participation agreements, guarantees, or any combination of these
19 or accrued interest originally distributed as part of the core
20 communities fund, created by 2000 PA 291, shall be received, held,
21 and applied by the fund for the purposes described in 2000 PA 291.

22 (2) The fund shall provide an annual report on the status of
23 this fund which includes information that details the awards made.
24 The report shall be provided to the appropriations subcommittees on
25 general government, the fiscal agencies, and the state budget
26 office by February 15.

27 Sec. 1020. Federal pass-through funds to local institutions

1 and governments that are received in amounts in addition to those
2 included in part 1 and that do not require additional state
3 matching funds are appropriated for the purposes intended. The fund
4 may carry forward into the succeeding fiscal year unexpended
5 federal pass-through funds to local institutions and governments
6 that do not require additional state matching funds. The fund shall
7 report the amount and source of the funds to the senate and house
8 appropriation subcommittees on general government, the senate and
9 house fiscal agencies, and the state budget office within 10
10 business days after receiving any additional pass-through funds.

11 Sec. 1024. From the funds appropriated in part 1 for business
12 attraction and community revitalization, not less than
13 \$20,000,000.00 shall be granted by the fund board for brownfield
14 redevelopment and historic preservation projects under the
15 community revitalization program authorized by chapter 8C of the
16 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
17 125.2090d.

18 Sec. 1032. (1) The department shall report to the
19 subcommittees, the state budget director, and the fiscal agencies
20 on the status of the film incentives at the same time as it submits
21 the annual report required under section 455 of the Michigan
22 business tax act, 2007 PA 36, MCL 208.1455. The department of
23 treasury shall provide the department with the data necessary to
24 prepare the report. Incentives included in the report shall include
25 all of the following:

26 (a) The tax credit provided under section 455 of the Michigan
27 business tax act, 2007 PA 36, MCL 208.1455.

1 (b) The tax credit provided under section 457 of the Michigan
2 business tax act, 2007 PA 36, MCL 208.1457.

3 (c) The tax credit provided under section 459 of the Michigan
4 business tax act, 2007 PA 36, MCL 208.1459.

5 (d) The amount of any tax credit claimed under former section
6 367 of the income tax act of 1967, 1967 PA 281.

7 (e) Any tax credits provided for film and digital media
8 production under the Michigan economic growth authority act, 1995
9 PA 24, MCL 207.801 to 207.810.

10 (f) Loans to an eligible production company or film and
11 digital media private equity fund authorized under section 88d(3),
12 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
13 125.2088d.

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

15 (a) For each tax credit, the number of contracts signed, the
16 projected expenditures qualifying for the credit, and the estimated
17 value of the credits. For loans, the number of loans made under
18 each section, the interest rate of those loans, the loan amount,
19 the percent of the projected budget of each production financed by
20 those loans, and the estimated interest earnings from the loan.

21 (b) For credits authorized under section 455 of the Michigan
22 business tax act, 2007 PA 36, MCL 208.1455, for productions
23 completed by December 31, the expenditures of each production
24 eligible for the credit that has filed a request for certificate of
25 completion with the film office, broken down into expenditures for
26 goods, services, or salaries and wages and showing separately
27 expenditures in each local unit of government, including

1 expenditures for personnel, whether or not they were made to a
2 Michigan entity, and whether or not they were taxable under the
3 laws of this state. For loans, the report shall include the number
4 of loans that have been fully repaid, with principal and interest
5 shown separately, and the number of loans that are delinquent or in
6 default, and the amount of principal that is delinquent or is in
7 default.

8 (c) For each of the tax credit incentives and loan incentives
9 listed in subsection (1), a breakdown for each project or
10 production showing each of the following:

11 (i) The number of temporary jobs created.

12 (ii) The number of permanent jobs created.

13 (iii) The number of persons employed in Michigan as a result
14 of the incentive, on a full-time equated basis.

15 (3) For any information not included in the report due to the
16 provisions of section 455(6), 457(6), or 459(6) of the Michigan
17 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
18 the report shall do all of the following:

19 (a) Indicate how the information would describe the commercial
20 and financial operations or intellectual property of the company.

21 (b) Attest that the information has not been publicly
22 disseminated at any time.

23 (c) Describe how disclosure of the information may put the
24 company at a competitive disadvantage.

25 (4) Any information not disclosed due to the provisions of
26 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
27 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be

1 presented at the lowest level of aggregation that would no longer
2 describe the commercial and financial operations or intellectual
3 property of the company.

4 Sec. 1033. The department shall report to the chairpersons of
5 the senate and house of representatives standing committees on
6 appropriations subcommittees on general government, the state
7 budget director, and the senate and house fiscal agencies on the
8 status of the film incentives approved under section 29h of the
9 Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, not later
10 than 30 days following the end of each quarter of the fiscal year.
11 The report shall include all of the following:

12 (a) Direct economic impacts in this state attributable to the
13 assistance.

14 (b) Direct job creation in this state attributable to the
15 assistance.

16 (c) Direct private investment in this state attributable to
17 the assistance.

18 (d) The name of each eligible production company and the
19 amount of each incentive disbursed for each state certified
20 qualified production.

21 Sec. 1034. Each business incubator or accelerator that
22 received an award from the fund shall maintain and update a
23 dashboard of indicators to measure the effectiveness of the
24 business incubator and accelerator programs. Indicators shall
25 include the direct jobs created, new companies launched as a direct
26 result of business incubator or accelerator involvement, businesses
27 expanded as a direct result of business incubator or accelerator

1 involvement, direct investment in client companies, private equity
2 financing obtained by client companies, grant funding obtained by
3 client companies, and other measures developed by the recipient
4 business incubators and accelerators in conjunction with the MEDC.
5 Dashboard indicators shall be reported for the prior fiscal year
6 and cumulatively, if available. Each recipient shall submit a copy
7 of their dashboard indicators to the fund by March 1. The fund
8 shall transmit the local reports to the senate and house of
9 representatives appropriations subcommittees on general government,
10 the senate and house fiscal agencies, and the state budget office
11 by March 15.

12 Sec. 1035. (1) From the appropriation in part 1, the Michigan
13 council for arts and cultural affairs shall administer an arts and
14 cultural grant program that maintains an equitable geographic
15 distribution of funding and utilizes past arts and cultural grant
16 programs as a guideline for administering this program. The council
17 shall do all of the following:

18 (a) On or before October 1, the fund shall publish proposed
19 application criteria, instructions, and forms for use by eligible
20 applicants. The fund shall provide at least a 2-week period for
21 public comment before finalizing the application criteria,
22 instructions, and forms.

23 (b) A nonrefundable application fee may be assessed for each
24 application. Application fees shall be deposited in the council for
25 the arts fund and are appropriated for expenses necessary to
26 administer the programs. These funds are available for expenditure
27 when they are received and may be carried forward to the following

1 fiscal year.

2 (c) Grants are to be made to public and private arts and
3 cultural entities.

4 (d) Within 1 business day after the award announcements, the
5 council shall provide to each member of the legislature and the
6 fiscal agencies a list of all grant recipients and the total award
7 given to each recipient, sorted by county.

8 (2) The appropriation in part 1 for arts and cultural program
9 shall not be used for the administration of the grant program.

10 Sec. 1036. (1) The general fund/general purpose funds
11 appropriated in part 1 to the fund for business attraction and
12 community revitalization shall be transferred to the 21st century
13 jobs trust fund per section 90b(3) of the Michigan strategic fund
14 act, 1984 PA 270, MCL 125.2090b.

15 (2) Funds transferred to the 21st century jobs trust fund
16 under subsection (1) are appropriated and available for allocation
17 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
18 125.2001 to 125.2094.

19 Sec. 1037. (1) Bond proceeds may only be spent to reimburse
20 costs incurred by Michigan State University in the construction of
21 the facility for rare isotope beams project up to an amount not to
22 exceed \$90,960,100.00. All construction costs for the project in
23 excess of this amount are the responsibility of Michigan State
24 University. The fund is not responsible for operating costs of the
25 project facility. Prior to reimbursement, the fund and Michigan
26 State University shall enter into an agreement providing for the
27 terms of reimbursement, allowable costs, financial reporting, and

1 any other requirements necessary to complete the transaction.

2 (2) The state budget director retains the authority and
3 fiduciary responsibility normally associated with the maintenance
4 of the public's financial and policy interests relative to state-
5 financed construction projects. The state budget director may take
6 appropriate action to protect the public's financial and policy
7 interests, including, but not limited to, rescinding subsection (2)
8 reimbursement payments for construction of the facility for rare
9 isotope beams project should Michigan State University or the
10 United States Department of Energy not provide the necessary
11 resources to complete the project. The state budget director shall
12 provide notification to the senate and house appropriations
13 committees, senate fiscal agency, house fiscal agency, and the fund
14 within 10 days of exercising the authority under this subsection.

15 (3) The department of technology, management, and budget may
16 assist the fund with implementation of this program for purposes of
17 administrative efficiency.

18 Sec. 1040. As a condition of receiving funds in part 1, the
19 department of talent and economic development shall utilize MAIN,
20 or a successor MDTMB-administered administrative information system
21 used across state government, as an appropriation and expenditure
22 reporting system to track all financial transactions with
23 individual vendors, contractual partners, grantees, recipients of
24 business incentives, and recipients of other economic assistance.
25 Encumbrances and expenditures shall be reported in a timely manner.

26 Sec. 1041. From the funds appropriated in part 1 for business
27 attraction and community revitalization, the fund shall request the

1 transfer by the state treasurer of not more than 60% of the funds
2 prior to April 1.

3 Sec. 1042. For the funds appropriated in part 1 for business
4 attraction and community revitalization, the fund shall report
5 quarterly on the amount of funds considered appropriated, pre-
6 encumbered, encumbered, and expended. The report shall also include
7 a listing of appropriations for business attraction and community
8 revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013
9 PA 59, and 2014 PA 252, that were considered appropriated, pre-
10 encumbered, encumbered, or expended that have lapsed back to the
11 fund for any purpose. The report shall be submitted to the
12 chairpersons of the senate and house of representatives standing
13 committees on appropriations, the chairpersons of the senate and
14 house of representatives standing committees on appropriations
15 subcommittees on general government, the senate and house fiscal
16 agencies, and the state budget office.

17 **TALENT INVESTMENT AGENCY**

18 Sec. 1060. The talent investment agency shall administer the
19 PATH training program in accordance with the requirements of
20 section 407(d) of title IV of the social security act, 42 USC 607,
21 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
22 and all other applicable laws and regulations.

23 Sec. 1061. From the funds appropriated in part 1 for workforce
24 programs subgrantees, the talent investment agency may allocate
25 funding for grants to nonprofit organizations that offer programs
26 pursuant to the workforce investment act of 1998, 29 USC 2801 to
27 2945, or the workforce innovation and opportunity act, 29 USC 3101

1 to 3361, eligible youth focusing on pre-apprenticeship and
2 apprenticeship activities, entrepreneurship, work-readiness skills,
3 job shadowing, and financial literacy. Organizations eligible for
4 funding under this section must have the capacity to provide
5 similar programs in urban areas, as determined by the United States
6 Bureau of the Census according to the most recent federal decennial
7 census. Additionally, programs eligible for funding under this
8 section must include the participation of local business partners.
9 The talent investment agency shall develop other appropriate
10 eligibility requirements to ensure compliance with applicable
11 federal rules and regulations.

12 Sec. 1062. The talent investment agency shall make available,
13 in person or by telephone, 1 disabled veterans outreach program
14 specialist or local veterans employment representative to Michigan
15 Works! service centers, as resources permit, during hours of
16 operation, and shall continue to make the appropriate placement of
17 veterans and disabled veterans a priority.

18 Sec. 1063. (1) In addition to the funds appropriated in part
19 1, any unencumbered and unrestricted federal workforce investment
20 act of 1998, 29 USC 2801 to 2945, workforce innovation and
21 opportunity act, 29 USC 3101 to 3361, or trade adjustment
22 assistance funds available from prior fiscal years are appropriated
23 for the purposes originally intended.

24 (2) The talent investment agency shall report by February 15
25 to the subcommittees, the fiscal agencies, and the state budget
26 office on the amount by fiscal year of federal workforce investment
27 act of 1998, 29 USC 2801 to 2945, workforce innovation and

1 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
2 section.

3 Sec. 1065. The talent investment agency shall publish data and
4 reports on the agency website concerning the status of the career
5 technology and skilled trades training program funded in part 1.
6 The report shall include the following:

7 (a) The number of awardees participating in the program and
8 the names of those awardees organized by major industry group.

9 (b) The amount of funding received by each awardee under the
10 program.

11 (c) Amount of funding leveraged from each awardee or other
12 funding source for each awardee project.

13 (d) Training models established by each awardee.

14 (e) The number of individuals enrolled in a skilled trades
15 training program by awardee.

16 (f) The number of individuals who completed the program and
17 were hired by awardee.

18 (g) The number of applications received and the number of
19 applications approved for each region.

20 (h) The department of talent and economic development shall
21 expand workforce training and reemployment services to better
22 connect workers to in-demand jobs and identify specific outcomes
23 with performance metrics for this initiative, including, but not
24 limited to, new apprenticeships, jobs created, jobs retained,
25 training completed, and employment retention rate at 6 months, and
26 hourly wage at 6 months.

27 Sec. 1066. As a condition of receiving funds in part 1 for the

1 skilled trades training program, the talent investment agency shall
2 administer the program as follows:

3 (a) The talent investment agency shall work cooperatively with
4 grantees to maximize the amount of funds from part 1 that are
5 available for direct training.

6 (b) The talent investment agency, workforce development
7 partners, including regional Michigan Works! agencies, and
8 employers shall collaborate and work cooperatively to prioritize
9 and streamline the expenditure of the funds appropriated in part 1.
10 The talent investment agency shall ensure that the skilled trades
11 training program provides a collaborative statewide network of
12 workforce and employee skill development partners that addresses
13 the employee talent needs throughout the state.

14 (c) The talent investment agency shall ensure that grants are
15 utilized for individual skill enhancement for employees of Michigan
16 businesses including the development of additional opportunities
17 for apprenticeship programs and more advance-tech training
18 programs. Funds shall not be distributed to program and process
19 centered training organization employers.

20 (d) The talent investment agency shall develop program goals
21 and detailed guidance for prospective participants to follow to
22 qualify under the program. The program goals and detailed guidance
23 shall be posted on the talent investment agency website and
24 distributed to workforce development partners, including local
25 Michigan Works! agencies, by October 1. Periodic assessments of
26 employer and employee needs shall be evaluated on a regional basis,
27 and the talent investment agency shall identify solutions and goals

1 to be implemented to satisfy those needs. The talent investment
2 agency shall notify the senate and house of representatives
3 standing committees on appropriations, the senate and house of
4 representatives standing committees on appropriations subcommittees
5 on general government, the senate and house fiscal agencies, and
6 the state budget office on any program goal, solution, or guidance
7 changes not fewer than 14 days prior to the finalization and
8 publication of the changes. Revenue received by the talent
9 investment agency for the skilled trades training program may be
10 expended for the purpose of those programs.

11 (e) Up to \$5,000,000.00 of the funds may be expended to match
12 federal funds. The intent of these funds will involve improving and
13 increasing the skill level of employees in skilled trades in the
14 automotive industry and the manufacturing processes within the
15 changing manufacturing environment.

16 Sec. 1068. (1) Of the funds appropriated in part 1 for the
17 workforce training programs, the talent investment agency shall
18 provide a report by February 15 to the senate and house of
19 representatives standing committees on appropriations subcommittees
20 on general government, the state budget director, and the fiscal
21 agencies on the status of the workforce training programs. The
22 report shall include the following:

23 (a) The amount of funding allocated to each Michigan Works!
24 agency and the total funding allocated to the workforce training
25 programs statewide by fund source.

26 (b) The number of participants enrolled in education or
27 training programs by each Michigan Works! agency.

1 (c) The average duration of training for training program
2 participants by each Michigan Works! agency.

3 (d) The number of participants enrolled in remedial education
4 programs and the number of participants enrolled in literacy
5 programs.

6 (e) The number of participants enrolled in programs at 2-year
7 institutions.

8 (f) The number of participants enrolled in 4-year
9 institutions.

10 (g) The number of participants enrolled in proprietary schools
11 or other technical training programs.

12 (h) The number of participants that have completed education
13 or training programs.

14 (i) The number of participants who secured employment in
15 Michigan within 1 year of completing a training program.

16 (j) The number of participants who completed a training
17 program and secured employment in a field related to their
18 training.

19 (k) The average wage earned by participants who completed a
20 training program and secured employment within 1 year.

21 (l) The actual revenues received by the fund source and fund
22 appropriated for each discrete workforce development program area.

23 (2) Data collection for the report shall be for the prior
24 state fiscal year.

25 Sec. 1076. The unemployment insurance agency shall provide the
26 senate and house appropriations subcommittees on general
27 government, senate and house fiscal agencies, and the state budget

1 office with quarterly status reports on the implementation of and
2 improvements to the agency's integrated system project. The
3 quarterly status reports shall include, but not be limited to, a
4 summary of the expenditures for the project, a summary of the tasks
5 completed, and a summary of the tasks anticipated to be completed
6 in the subsequent quarter.

7 Sec. 1077. The department of talent and economic development
8 shall report quarterly to the members of the house and senate
9 committees on appropriations, the senate and house fiscal agencies,
10 and the state budget director on the percentage of unemployment
11 claimants that meet the certification requirements for receiving
12 benefits by using the Internet Michigan web account manager system
13 or any application developed for that purpose. The department of
14 talent and economic development shall implement improvements to the
15 Internet Michigan web account manager system that promote greater
16 ease of access and security with a goal of reaching 75% of users
17 certifying by using the Internet Michigan web account manager
18 system or another system that reduces staff face time and Michigan
19 automated response voice interactive network telephone system
20 usage.

21 Sec. 1078. (1) From the funds appropriated in part 1 for the
22 unemployment insurance agency, the department of talent and
23 economic development shall maintain customer service standards for
24 employers and claimants making use of the various means by which
25 they can access the system.

26 (2) The department of talent and economic development shall
27 identify specific outcomes and performance metrics for this

1 initiative, including, but not limited to, the following:

- 2 (a) Unemployment benefit fund balance.
- 3 (b) Process improvement - fiscal integrity.
- 4 (c) Process improvement - determination timeliness.
- 5 (d) Process improvement - determination quality.

6 Sec. 1081. (1) From the funds appropriated in part 1 for
7 statewide system for data integration, the department shall
8 establish new information technology systems to integrate data for
9 talent and pipeline development to track and report workforce
10 development activities and provide for sustained and expanded
11 longitudinal data analysis between state departments.

12 (2) The department shall identify specific outcomes and
13 performance metrics for this initiative, including, but not limited
14 to, the following:

- 15 (a) Job placements and retention at 6 months.
- 16 (b) Apprenticeships completed.
- 17 (c) Average wage.

18 Sec. 1082. From the funds appropriated in part 1 for the
19 financial literacy pilot, the department shall request competitive
20 proposals from service providers interested in providing financial
21 literacy counseling to family independence program (FIP) recipients
22 and temporary assistance for needy families eligible individuals
23 using an established financial literacy model. The pilot is to
24 include individual client counseling sessions with professionally
25 trained financial counselors. The counseling sessions shall be a
26 voluntary service to clients and focus on effective personal
27 budgeting, debt reduction, establishing and improving credit,

1 accessing safe and affordable banking services, building savings,
2 and connecting to other supportive services through referrals. The
3 pilot may provide for client financial literacy counseling services
4 in up to 3 prosperity regions. The geographic selection of the
5 prosperity region for the pilot shall be part of the competitive
6 request for proposal, but priority shall be given to those
7 proposals that have a mix of urban and rural implementation areas.
8 The service provider may provide financial literacy counseling to
9 clients from other state programs provided those programs provide
10 support for such services. The pilot shall have a duration of no
11 more than 3 years. Priority shall be given to those proposals that
12 demonstrate a model for statewide implementation and a
13 sustainability strategy at the conclusion of the pilot, as well as
14 opportunities for additional state program integrations. Client
15 outcomes for both FIP recipients and any other state programs
16 utilizing financial literacy services shall be monitored and
17 reported by the service provider to the department on a quarterly
18 basis. During the course of the pilot, the department shall provide
19 an annual report on client outcomes to the senate and house
20 subcommittees on general government, senate and house fiscal
21 agencies, and state budget director. Key outcome metrics for
22 clients will include all of the following:

- 23 (a) Increased or maintained access to safe and affordable
24 banking services.
- 25 (b) Increased credit scores.
- 26 (c) Reduced debt.
- 27 (d) Increased savings.

1 Sec. 1083. From the funds appropriated in part 1 for the
2 sustainable employment pilot program, the department of talent and
3 economic development shall create or contract with another entity
4 to provide a pilot program that focuses on moving individuals off
5 of government assistance programs and measuring the corresponding
6 savings to the state of Michigan. The pilot program shall work with
7 local community and workforce development agencies and focus on
8 long-term results.

9 **STATE BUILDING AUTHORITY**

10 Sec. 1100. (1) Subject to section 242 of the management and
11 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
12 state building authority, the department of treasury may expend
13 from the general fund of the state during the fiscal year an amount
14 to meet the cash flow requirements of those state building
15 authority projects solely for lease to a state agency identified in
16 both part 1 and this section, and for which state building
17 authority bonds or notes have not been issued, and for the sole
18 acquisition by the state building authority of equipment and
19 furnishings for lease to a state agency as permitted by 1964 PA
20 183, MCL 830.411 to 830.425, for which the issuance of bonds or
21 notes is authorized by a legislative appropriation act that is
22 effective for the fiscal year ending September 30, 2016. Any
23 general fund advances for which state building authority bonds have
24 not been issued shall bear an interest cost to the state building
25 authority at a rate not to exceed that earned by the state
26 treasurer's common cash fund during the period in which the

1 advances are outstanding and are repaid to the general fund of the
2 state.

3 (2) Upon sale of bonds or notes for the projects identified in
4 part 1 or for equipment as authorized by a legislative
5 appropriation act and in this section, the state building authority
6 shall credit the general fund of the state an amount equal to that
7 expended from the general fund plus interest, if any, as defined in
8 this section.

9 (3) For state building authority projects for which bonds or
10 notes have been issued and upon the request of the state building
11 authority, the state treasurer shall make advances without interest
12 from the general fund as necessary to meet cash flow requirements
13 for the projects, which advances shall be reimbursed by the state
14 building authority when the investments earmarked for the financing
15 of the projects mature.

16 (4) In the event that a project identified in part 1 is
17 terminated after final design is complete, advances made on behalf
18 of the state building authority for the costs of final design shall
19 be repaid to the general fund in a manner recommended by the
20 director.

21 Sec. 1102. (1) State building authority funding to finance
22 construction or renovation of a facility that collects revenue in
23 excess of money required for the operation of that facility shall
24 not be released to a university or community college unless the
25 institution agrees to reimburse that excess revenue to the state
26 building authority. The excess revenue shall be credited to the
27 general fund to offset rent obligations associated with the

1 retirement of bonds issued for that facility. The auditor general
2 shall annually identify and present an audit of those facilities
3 that are subject to this section. Costs associated with the
4 administration of the audit shall be charged against money
5 recovered pursuant to this section.

6 (2) As used in this section, "revenue" includes state
7 appropriations, facility opening money, other state aid, indirect
8 cost reimbursement, and other revenue generated by the activities
9 of the facility.

10 Sec. 1103. The state building authority shall provide to the
11 JCOS and senate and house fiscal agencies a report relative to the
12 status of construction projects associated with state building
13 authority bonds as of September 30 of each year, on or before
14 October 15, or not more than 30 days after a refinancing or
15 restructuring bond issue is sold. The report shall include, but is
16 not limited to, the following:

17 (a) A list of all completed construction projects for which
18 state building authority bonds have been sold, and which bonds are
19 currently active.

20 (b) A list of all projects under construction for which sale
21 of state building authority bonds is pending.

22 (c) A list of all projects authorized for construction or
23 identified in an appropriations act for which approval of
24 schematic/preliminary plans or total authorized cost is pending
25 that have state building authority bonds identified as a source of
26 financing.

1 **REVENUE STATEMENT**

2 Sec. 1201. Pursuant to section 18 of article V of the state
3 constitution of 1963, fund balances and estimates are presented in
4 the following statement:

5 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

6 (Amounts in millions)

7 Fiscal Year 2016-2017

		Beginning			
		Available	Estimated	Ending	
		<u>Fund</u>	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
11	OPERATING FUNDS				
12	General fund/general purpose	0110	152.9	9,893.9	14.9
13	General fund/special purpose		875.0	28,609.1	664.2
14	Special Revenue Funds:				
15	Countercyclical budget and				
16	economic stabilization	0111	611.0	17.9	628.9
17	Game and fish protection	0112	3.5	82.9	3.7
18	Michigan employment security act				
19	administration	0113	0.0	42.1	0.0
20	State aeronautics	0114	2.7	17.6	0.0
21	Michigan veterans' benefit				
22	trust	0115	0.0	3.7	0.0
23	State trunkline	0116	0.0	1,001.5	0.0
24	Michigan state waterways	0117	8.2	30.8	6.5
25	Blue Water Bridge	0118	18.9	23.6	0.0
26	Michigan transportation	0119	0.0	2,514.9	0.0

1	Comprehensive transportation	0120	3.8	316.7	0.0
2	School aid	0122	47.9	12,527.6	15.4
3	21st century jobs fund	0383	81.6	75.0	65.9
4	Detroit public schools trust				
5	fund	NEW	0.0	72.0	0.0
6	Game and fish protection trust	0124	0.0	15.9	0.0
7	State park improvement	0125	12.6	57.5	7.9
8	Forest development	0126	12.7	40.9	8.2
9	Michigan natural resources				
10	trust	0129	13.4	32.9	30.6
11	Michigan state parks endowment	0130	0.5	40.9	0.5
12	Safety education and training	0131	5.2	9.6	4.5
13	Bottle deposit	0136	5.7	14.9	2.6
14	State construction code	0138	7.2	8.4	7.4
15	Children's trust	0139	1.8	1.2	1.2
16	State casino gaming	0140	1.7	0.3	2.0
17	Michigan nongame fish and				
18	wildlife	0143	0.4	0.5	0.3
19	Michigan merit award trust	0154	48.7	28.6	0.0
20	Outdoor recreation legacy	0162	1.1	3.0	1.1
21	Off-road vehicle account	0163	5.7	7.2	5.4
22	Snowmobile account	0164	5.6	11.6	5.5
23	Silicosis dust disease				
24	and logging	0870	1.4	0.9	1.2
25	Utility consumer representation	0893	1.6	1.2	1.5
26	TOTALS		\$1,930.8	\$55,504.8	\$1,479.4

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

GENERAL SECTIONS

Sec. 1301. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

ARTICLE X

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	15,554.5
Average population	770.0

House Bill No. 5294 as amended April 27, 2016

1	GROSS APPROPRIATION.....	[\$ 24,872,843,000]
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers	13,663,700
5	ADJUSTED GROSS APPROPRIATION.....	[\$ 24,859,179,300]
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families	550,329,300
9	Capped federal revenues.....	593,178,400
10	Total other federal revenues.....	16,765,307,200
11	Special revenue funds:	
12	Total local revenues.....	124,445,800
13	Total private revenues.....	154,259,300
14	Michigan merit award trust fund.....	74,772,800
15	Total other state restricted revenues.....	2,284,460,600
16	State general fund/general purpose.....	[\$ 4,312,425,900]
17	Sec. 102. DEPARTMENTWIDE ADMINISTRATION	
18	Full-time equated unclassified positions.....	6.0
19	Full-time equated classified positions.....	714.2
20	Director and other unclassified--6.0 FTE positions ...	\$ 1,119,300
21	Departmental administration and management--520.2 FTE	
22	positions	77,361,100
23	Demonstration projects--7.0 FTE positions.....	7,355,100
24	Developmental disabilities council and projects--10.0	
25	FTE positions	3,067,000
26	Information technology projects and services.....	158,998,300
27	Michigan Medicaid information system.....	[50,634,500]

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1	Office of inspector general--177.0 FTE positions	21,633,100
2	Rent and state office facilities	62,783,800
3	State office of administrative hearings and rules	11,140,300
4	Terminal pay and other employee costs	5,686,100
5	Worker's compensation program	<u>7,956,500</u>
6	GROSS APPROPRIATION	[\$ 407,735,100]
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of education	2,979,000
10	Federal revenues:	
11	Social security act, temporary assistance for needy	
12	families	33,716,600
13	Capped federal revenues	42,314,000
14	Total other federal revenues	149,056,400
15	Special revenue funds:	
16	Total local revenues	16,400
17	Total private revenues	23,842,000
18	Total other state restricted revenues	2,824,600
19	State general fund/general purpose	[\$ 152,986,100]
20	Sec. 103. CHILD SUPPORT ENFORCEMENT	
21	Full-time equated classified positions	185.7
22	Child support enforcement operations--179.7 FTE	
23	positions	\$ 22,151,300
24	Legal support contracts	113,359,100
25	Child support incentive payments	24,409,600
26	State disbursement unit--6.0 FTE positions	8,101,700
27	Child support automation	<u>41,877,600</u>

1	GROSS APPROPRIATION.....	\$	209,899,300
2	Appropriated from:		
3	Federal revenues:		
4	Capped federal revenues.....		11,395,000
5	Total other federal revenues.....		163,998,000
6	State general fund/general purpose.....	\$	34,506,300
7	Sec. 104. COMMUNITY SERVICES AND OUTREACH		
8	Full-time equated classified positions.....		70.6
9	Bureau of community services and outreach--16.0 FTE		
10	positions	\$	2,103,700
11	Community services block grant.....		25,840,000
12	Weatherization assistance.....		16,340,000
13	School success partnership program.....		450,000
14	Homeless programs.....		15,721,900
15	Domestic violence prevention and treatment--14.6 FTE		
16	positions		15,766,200
17	Rape prevention and services--0.5 FTE position.....		5,097,400
18	Child advocacy centers--0.5 FTE position.....		2,000,000
19	Michigan community services commission--15.0 FTE		
20	positions		11,621,300
21	Community services and outreach administration--11.0		
22	FTE positions		1,459,100
23	Housing and support services.....		13,031,000
24	Crime victim grants administration services--13.0 FTE		
25	positions		2,165,100
26	Crime victim justice assistance grants.....		59,279,300
27	Crime victim rights services grants.....		<u>16,870,000</u>

1	GROSS APPROPRIATION.....	\$	187,745,000
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families		11,679,700
6	Capped federal revenues.....		66,215,400
7	Total other federal revenues.....		75,865,100
8	Special revenue funds:		
9	Private - collections.....		44,100
10	Compulsive gambling prevention fund.....		1,040,500
11	Sexual assault victims' prevention and treatment fund		3,000,000
12	Child advocacy centers fund.....		2,000,000
13	Crime victim's rights fund.....		15,327,200
14	State general fund/general purpose.....	\$	12,573,000
15	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
16	WELFARE		
17	Full-time equated classified positions.....		3,893.2
18	Children's services administration--169.0 FTE		
19	positions	\$	19,513,200
20	Title IV-E compliance and accountability office--4.0		
21	FTE positions		421,300
22	Child welfare institute--45.0 FTE positions		7,820,400
23	Child welfare field staff - caseload compliance--		
24	2,511.0 FTE positions		230,862,600
25	Child welfare field staff - noncaseload compliance--		
26	320.0 FTE positions		33,671,400
27	Education planners--15.0 FTE positions		1,521,100

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1	Peer coaches--45.5 FTE positions	5,702,100
2	Child welfare first line supervisors--578.0 FTE	
3	positions	72,313,800
4	Second line supervisors and technical staff--54.0 FTE	
5	positions	8,833,600
6	Permanency resource managers--28.0 FTE positions	3,170,200
7	Contractual services, supplies, and materials	9,280,000
8	Settlement monitor.....	1,885,800
9	Foster care payments.....	[187,089,300]
10	Guardianship assistance program.....	11,966,500
11	Child care fund.....	183,426,000
12	Child care fund administration--4.2 FTE positions	592,900
13	Adoption subsidies.....	223,365,400
14	Adoption support services--10.0 FTE positions	26,926,700
15	Youth in transition--4.5 FTE positions	14,271,900
16	Child welfare medical/psychiatric evaluations	10,435,500
17	Psychotropic oversight.....	618,200
18	Performance based funding implementation--3.0 FTE	
19	positions	1,778,900
20	Family support subsidy.....	16,951,400
21	Interstate compact.....	179,600
22	Strong families/safe children.....	12,350,100
23	Family preservation programs--23.0 FTE positions	38,872,800
24	Family preservation and prevention services	
25	administration--9.0 FTE positions.....	1,291,300
26	Child abuse and neglect - children's justice act--1.0	
27	FTE position	621,800

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1	Children's trust fund--12.0 FTE positions	3,323,400
2	Attorney general contract	4,321,800
3	Prosecuting attorney contracts	3,061,700
4	Child protection	800,300
5	Child welfare licensing--57.0 FTE positions	6,549,800
6	Child welfare administration travel	<u>375,000</u>
7	GROSS APPROPRIATION	[\$1,144,165,800]
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of education	90,200
11	Federal revenues:	
12	Social security act, temporary assistance for needy	
13	families	316,105,600
14	Capped federal revenues	107,663,000
15	Total other federal revenues	256,986,100
16	Special revenue funds:	
17	Private - collections	2,424,000
18	Local funds - county chargeback	14,194,000
19	Children's trust fund	2,090,500
20	State general fund/general purpose	[\$ 444,612,400]
21	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
22	JUSTICE	
23	Full-time equated classified positions	111.5
24	W. J. Maxey training school	\$ 1,000,000
25	Bay pines center--42.0 FTE positions	4,933,300
26	Shawono center--42.0 FTE positions	5,021,400
27	County juvenile officers	3,904,300

1	Community support services--3.0 FTE positions	2,110,500
2	Juvenile justice, administration and maintenance--22.0	
3	FTE positions	3,543,700
4	Committee on juvenile justice administration--2.5 FTE	
5	positions	350,700
6	Committee on juvenile justice grants	<u>3,000,000</u>
7	GROSS APPROPRIATION.....	\$ 23,863,900
8	Appropriated from:	
9	Federal revenues:	
10	Capped federal revenues	8,018,200
11	Total other federal revenues	5,000
12	Special revenue funds:	
13	Local funds - state share education funds	1,321,900
14	Local funds - county chargeback	4,505,100
15	State general fund/general purpose	\$ 10,013,700
16	Sec. 107. PUBLIC ASSISTANCE	
17	Full-time equated classified positions..... 8.0	
18	Family independence program.....	\$ 113,624,600
19	State disability assistance payments	12,353,900
20	Food assistance program benefits	2,486,273,800
21	State supplementation	63,357,400
22	State supplementation administration	2,381,100
23	Low-income home energy assistance program	178,102,600
24	Food bank funding	2,045,000
25	Multicultural integration funding	13,303,800
26	Indigent burial	4,375,000
27	Emergency services local office allocations	9,857,500

1	Michigan energy assistance program--1.0 FTE position .	50,000,000
2	Refugee assistance program--7.0 FTE positions	<u>27,986,100</u>
3	GROSS APPROPRIATION.....	\$ 2,963,660,800
4	Appropriated from:	
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families	73,970,700
8	Capped federal revenues.....	203,100,300
9	Total other federal revenues.....	2,480,805,700
10	Special revenue funds:	
11	Child support collections.....	10,863,700
12	Supplemental security income recoveries.....	5,470,900
13	Public assistance recoupment revenue.....	6,290,000
14	Low-income energy assistance fund.....	50,000,000
15	Michigan merit award trust fund.....	30,100,000
16	State general fund/general purpose.....	\$ 103,059,500
17	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES	
18	Full-time equated classified positions.....	6,501.5
19	Public assistance field staff--4,703.5 FTE positions .	\$ 475,636,300
20	Contractual services, supplies, and materials	16,282,000
21	Medical/psychiatric evaluations.....	1,420,100
22	Donated funds positions--538.0 FTE positions	60,878,700
23	Training and program support--20.0 FTE positions	2,432,000
24	Volunteer services and reimbursement.....	942,400
25	Field policy and administration--66.0 FTE positions ..	10,262,400
26	Adult services field staff--425.0 FTE positions	44,864,400
27	Nutrition education--2.0 FTE positions	23,042,700

1	Employment and training support services	4,219,100
2	Michigan rehabilitation services--526.0 FTE positions	131,221,800
3	Independent living	12,031,600
4	Electronic benefit transfer (EBT)	8,509,000
5	Administrative support workers--221.0 FTE positions ..	12,754,900
6	Elder law of Michigan MiCAFE contract	350,000
7	Field staff travel	8,103,900
8	SSI advocacy legal services	<u>500,000</u>
9	GROSS APPROPRIATION	\$ 813,451,300
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of corrections	101,200
13	IDG from department of education	7,678,800
14	Federal revenues:	
15	Social security act, temporary assistance for needy	
16	families	101,186,900
17	Capped federal revenues	154,023,300
18	Federal supplemental security income	8,588,600
19	Total other federal revenues	250,031,300
20	Special revenue funds:	
21	Local funds - donated funds	11,067,200
22	Local vocational rehabilitation match	6,534,600
23	Private funds - donated funds	18,420,200
24	Private funds - gifts, bequests, and donations	1,854,600
25	Rehabilitation service fees	382,800
26	Second injury fund	40,000
27	State general fund/general purpose	\$ 253,541,800

1	Sec. 109. DISABILITY DETERMINATION SERVICES		
2	Full-time equated classified positions.....	587.4	
3	Disability determination operations--583.3 FTE		
4	positions		\$ 111,392,700
5	Retirement disability determination--4.1 FTE positions		<u>602,900</u>
6	GROSS APPROPRIATION.....		\$ 111,995,600
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from department of technology, management, and		
10	budget - office of retirement services.....		778,300
11	Federal revenues:		
12	Total other federal revenues.....		107,784,000
13	State general fund/general purpose.....		\$ 3,433,300
14	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION		
15	AND SPECIAL PROJECTS		
16	Full-time equated classified positions.....	100.0	
17	Behavioral health program administration--80.0 FTE		
18	positions		\$ 60,084,200
19	Gambling addiction--1.0 FTE position.....		3,005,900
20	Protection and advocacy services support.....		194,400
21	Community residential and support services.....		592,100
22	Federal and other special projects.....		2,535,600
23	Office of recipient rights--19.0 FTE positions.....		<u>2,700,000</u>
24	GROSS APPROPRIATION.....		\$ 69,112,200
25	Appropriated from:		
26	Federal revenues:		
27	Social security act, temporary assistance for needy		

1	families	180,500
2	Total other federal revenues	36,793,600
3	Special revenue funds:	
4	Total private revenues	1,004,700
5	Total other state restricted revenues	3,005,900
6	State general fund/general purpose	\$ 28,127,500
7	Sec. 111. BEHAVIORAL HEALTH SERVICES	
8	Full-time equated classified positions..... 9.5	
9	Medicaid mental health services	\$ 2,289,672,600
10	Community mental health non-Medicaid services	118,806,200
11	Medicaid substance use disorder services	50,116,500
12	Civil service charges	1,499,300
13	Federal mental health block grant--2.5 FTE positions .	15,454,600
14	State disability assistance program substance use	
15	disorder services	2,018,800
16	Community substance use disorder prevention,	
17	education, and treatment	73,811,800
18	Children's waiver home care program	20,000,000
19	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,272,000
20	Children with serious emotional disturbance waiver ...	10,000,000
21	Health homes	3,369,000
22	Healthy Michigan plan -behavioral health	221,355,500
23	Autism services	63,036,800
24	University autism programs	<u>1,000,000</u>
25	GROSS APPROPRIATION	\$ 2,882,413,100
26	Appropriated from:	
27	Federal revenues:	

1	Total other federal revenues.....	1,890,475,800
2	Special revenue funds:	
3	Total local revenues.....	25,475,800
4	Total other state restricted revenues.....	22,512,700
5	State general fund/general purpose.....	\$ 943,948,800
6	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
7	MENTAL HEALTH SERVICES	
8	Total average population	770.0
9	Full-time equated classified positions.....	2,181.9
10	Caro Regional Mental Health Center - psychiatric	
11	hospital - adult--461.3 FTE positions.....	\$ 57,270,900
12	Average population	145.0
13	Kalamazoo Psychiatric Hospital - adult--466.1 FTE	
14	positions	65,674,600
15	Average population	170.0
16	Walter P. Reuther Psychiatric Hospital - adult--420.8	
17	FTE positions	56,872,000
18	Average population	160.0
19	Hawthorn Center - psychiatric hospital - children and	
20	adolescents--226.4 FTE positions.....	29,142,500
21	Average population	55.0
22	Center for forensic psychiatry--607.3 FTE positions..	81,702,000
23	Average population	240.0
24	Revenue recapture.....	750,000
25	IDEA, federal special education.....	120,000
26	Special maintenance.....	332,500
27	Purchase of medical services for residents of	

1	hospitals and centers	445,600
2	Gifts and bequests for patient living and treatment	
3	environment	<u>1,000,000</u>
4	GROSS APPROPRIATION.....	\$ 293,310,100
5	Appropriated from:	
6	Federal revenues:	
7	Total other federal revenues.....	35,245,300
8	Special revenue funds:	
9	Total local revenues.....	19,886,700
10	Total private revenues.....	1,000,000
11	Total other state restricted revenues.....	19,238,100
12	State general fund/general purpose.....	\$ 217,940,000
13	Sec. 113. HEALTH POLICY	
14	Full-time equated classified positions..... 32.8	
15	Certificate of need program administration--12.3 FTE	
16	positions	\$ 2,803,800
17	Health innovation grants.....	1,000,000
18	Health policy administration--15.1 FTE positions	26,564,000
19	Human trafficking intervention services.....	200,000
20	Michigan essential health provider.....	3,591,300
21	Minority health grants and contracts.....	612,700
22	Nurse education and research program--3.0 FTE	
23	positions	780,900
24	Primary care services--1.4 FTE positions.....	4,068,500
25	Rural health services--1.0 FTE position.....	<u>1,555,500</u>
26	GROSS APPROPRIATION.....	\$ 41,176,700
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	Interdepartmental grant from the department of	
3	licensing and regulatory affairs.....	780,900
4	Interdepartmental grant from the department of	
5	treasury, Michigan state hospital finance authority.	117,700
6	Federal revenues:	
7	Total other federal revenues.....	31,631,200
8	Special revenue funds:	
9	Total private revenues.....	865,000
10	Total other state restricted revenues.....	2,686,100
11	State general fund/general purpose.....	\$ 5,095,800
12	Sec. 114. LABORATORY SERVICES	
13	Full-time equated classified positions.....	100.0
14	Laboratory services--100.0 FTE positions.....	\$ <u>20,520,500</u>
15	GROSS APPROPRIATION.....	\$ 20,520,500
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	Interdepartmental grant from the department of	
19	environmental quality	987,600
20	Federal revenues:	
21	Total other federal revenues.....	2,326,300
22	Special revenue funds:	
23	Total other state restricted revenues.....	10,403,900
24	State general fund/general purpose.....	\$ 6,802,700
25	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
26	EPIDEMIOLOGY	
27	Full-time equated classified positions.....	74.9

1	Epidemiology administration--43.6 FTE positions	\$	16,194,500
2	Healthy homes program--8.0 FTE positions		4,254,900
3	Immunization program--12.8 FTE positions		16,872,100
4	Newborn screening follow-up and treatment services--		
5	10.5 FTE positions		<u>7,253,500</u>
6	GROSS APPROPRIATION.....	\$	44,575,000
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	Interdepartmental grant from the department of natural		
10	resources		150,000
11	Federal revenues:		
12	Total other federal revenues.....		28,704,900
13	Special revenue funds:		
14	Total private revenues.....		339,400
15	Total other state restricted revenues.....		9,501,300
16	State general fund/general purpose.....	\$	5,879,400
17	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
18	Full-time equated classified positions..... 236.2		
19	AIDS prevention, testing, and care programs--47.7 FTE		
20	positions	\$	70,605,900
21	Cancer prevention and control program--13.0 FTE		
22	positions		15,051,600
23	Chronic disease control and health promotion		
24	administration--27.4 FTE positions.....		6,044,900
25	Dental programs--3.8 FTE positions.....		1,949,800
26	Diabetes and kidney program--8.0 FTE positions		3,049,100
27	Essential local public health services		40,886,100

1	Health and wellness initiatives--11.7 FTE positions ..	8,994,100
2	Implementation of 1993 PA 133, MCL 333.17015	20,000
3	Local health services--1.3 FTE positions	452,500
4	Medicaid outreach cost reimbursement to local health	
5	departments	9,000,000
6	Public health administration--7.0 FTE positions	1,566,800
7	Sexually transmitted disease control program--20.0 FTE	
8	positions	6,279,600
9	Smoking prevention program--12.0 FTE positions	2,142,100
10	Violence prevention--2.9 FTE positions	2,122,500
11	Vital records and health statistics--81.4 FTE	
12	positions	<u>11,932,300</u>
13	GROSS APPROPRIATION.....	\$ 180,097,300
14	Appropriated from:	
15	Federal revenues:	
16	Capped federal revenues	81,100
17	Total other federal revenues	71,396,700
18	Special revenue funds:	
19	Total local revenues	5,150,000
20	Total private revenues	39,028,400
21	Total other state restricted revenues	20,164,900
22	State general fund/general purpose	\$ 44,276,200
23	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
24	Full-time equated classified positions..... 110.8	
25	Childhood lead program--2.5 FTE positions	\$ 1,571,400
26	Family, maternal, and child health administration--	
27	49.3 FTE positions	8,460,900

1	Family planning local agreements.....	8,310,700
2	Local MCH services.....	7,018,100
3	Pregnancy prevention program.....	602,100
4	Prenatal care outreach and service delivery support--	
5	14.0 FTE positions	19,322,600
6	Special projects.....	6,289,100
7	Sudden and unexpected infant death and suffocation	
8	prevention program	321,300
9	Women, infants, and children program administration	
10	and special projects--45.0 FTE positions.....	18,014,400
11	Women, infants, and children program local agreements	
12	and food costs	<u>256,285,000</u>
13	GROSS APPROPRIATION.....	\$ 326,195,600
14	Appropriated from:	
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families	400,000
18	Total other federal revenues.....	254,324,000
19	Special revenue funds:	
20	Total local revenues.....	75,000
21	Total private revenues.....	61,702,400
22	State general fund/general purpose.....	\$ 9,694,200
23	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
24	PREPAREDNESS	
25	Full-time equated classified positions..... 75.0	
26	Bioterrorism preparedness--52.0 FTE positions.....	\$ 30,207,700
27	Emergency medical services program--23.0 FTE positions	<u>6,563,600</u>

1	GROSS APPROPRIATION.....	\$	36,771,300
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues.....		31,332,300
5	Special revenue funds:		
6	Total other state restricted revenues.....		4,004,900
7	State general fund/general purpose.....	\$	1,434,100
8	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
9	Full-time equated classified positions.....		46.8
10	Children's special health care services		
11	administration--44.0 FTE positions.....	\$	5,990,100
12	Bequests for care and services--2.8 FTE positions....		1,534,800
13	Outreach and advocacy.....		5,510,000
14	Nonemergency medical transportation.....		905,900
15	Medical care and treatment.....		<u>235,790,200</u>
16	GROSS APPROPRIATION.....	\$	249,731,000
17	Appropriated from:		
18	Federal revenues:		
19	Total other federal revenues.....		114,571,900
20	Special revenue funds:		
21	Total private revenues.....		1,013,200
22	Total other state restricted revenues.....		3,383,000
23	State general fund/general purpose.....	\$	130,762,900
24	Sec. 120. AGING AND ADULT SERVICES AGENCY		
25	Full-time equated classified positions.....		48.0
26	Aging and adult services administration--48.0 FTE		
27	positions	\$	9,344,200

1	Community services.....	40,000,600
2	Nutrition services.....	39,044,000
3	Employment assistance.....	3,500,000
4	Respite care program.....	5,868,700
5	Senior volunteer service programs.....	<u>4,465,300</u>
6	GROSS APPROPRIATION.....	\$ 102,222,800
7	Appropriated from:	
8	Federal revenues:	
9	Capped federal revenues.....	368,100
10	Total other federal revenues.....	57,898,600
11	Special revenue funds:	
12	Total private revenues.....	520,000
13	Michigan merit award trust fund.....	4,068,700
14	Total other state restricted revenues.....	1,400,000
15	State general fund/general purpose.....	\$ 37,967,400
16	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
17	Full-time equated classified positions..... 465.5	
18	Medical services administration--395.5 FTE positions .	\$ 83,615,600
19	Healthy Michigan plan administration--31.0 FTE	
20	positions	47,876,200
21	Electronic health record incentive program--24.0 FTE	
22	positions	144,297,800
23	Technology supporting integrated service delivery--	
24	15.0 FTE positions	<u>6,153,700</u>
25	GROSS APPROPRIATION.....	\$ 281,943,300
26	Appropriated from:	
27	Federal revenues:	

1	Total other federal revenues.....	238,817,000
2	Special revenue funds:	
3	Total local revenues.....	107,300
4	Total private revenues.....	101,300
5	Total other state restricted revenues.....	336,300
6	State general fund/general purpose.....	\$ 42,581,400
7	Sec. 122. MEDICAL SERVICES	
8	Hospital services and therapy.....	\$ 1,150,265,500
9	Hospital disproportionate share payments.....	45,000,000
10	Physician services.....	314,884,100
11	Medicare premium payments.....	458,763,500
12	Pharmaceutical services.....	554,072,700
13	Home health services.....	6,452,800
14	Hospice services.....	96,732,000
15	Transportation.....	20,094,000
16	Auxiliary medical services.....	5,489,200
17	Dental services.....	250,790,000
18	Ambulance services.....	17,604,500
19	Long-term care services.....	1,665,789,800
20	Integrated care organizations.....	220,300,000
21	Medicaid home- and community-based services waiver...	342,650,500
22	Adult home help services.....	327,364,500
23	Personal care services.....	10,357,200
24	Program of all-inclusive care for the elderly.....	92,524,400
25	Health plan services.....	4,805,066,900
26	Federal Medicare pharmaceutical program.....	261,845,200
27	Maternal and child health.....	20,279,500

1	Healthy Michigan plan.....	3,239,453,000
2	Subtotal basic medical services program.....	13,905,779,300
3	School-based services.....	112,102,700
4	Dental clinic program.....	2,150,000
5	Special Medicaid reimbursement.....	368,887,600
6	Subtotal special medical services payments.....	<u>483,140,300</u>
7	GROSS APPROPRIATION.....	\$ 14,388,919,600
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues.....	10,427,639,200
11	Special revenue funds:	
12	Total local revenues.....	36,111,800
13	Total private revenues.....	2,100,000
14	Michigan merit award trust fund.....	40,604,100
15	Total other state restricted revenues.....	2,088,019,400
16	State general fund/general purpose.....	\$ 1,794,445,100
17	Sec. 123. ONE-TIME BASIS ONLY APPROPRIATIONS	
18	Full-time equated classified position..... 1.0	
19	Hospice services.....	\$ 100
20	Family preservation programs--1.0 FTE position.....	3,400,000
21	Integrated service delivery.....	18,461,300
22	Drinking water declaration of emergency.....	15,138,100
23	MiSACWIS implementation.....	8,646,600
24	Pharmacy reserve.....	43,041,600
25	Autism navigator.....	1,125,000
26	Demonstration projects - Michigan 2-1-1.....	500,000
27	Dental clinic program.....	2,150,000

House Bill No. 5294 as amended April 27, 2016

1	Mobile electronic service verification study.....	25,000
2	Opiate prevention pilot.....	<u>850,000</u>
3	GROSS APPROPRIATION.....	\$ 93,337,700
4	Appropriated from:	
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families	13,089,300
8	Total other federal revenues.....	51,030,200
9	Special revenue funds:	
10	Total other state restricted revenues.....	473,900
11	State general fund/general purpose.....	\$ 28,744,300

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is [\$6,671,659,300.00] and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,299,265,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

25	Housing and support services.....	\$ 638,300
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1	Crime victim rights services grants		6,825,000
2	CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
3	Child care fund.....	\$	137,512,800
4	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
5	County juvenile officers.....	\$	3,525,200
6	PUBLIC ASSISTANCE		
7	Family independence program.....	\$	8,500
8	State disability assistance payments.....		948,400
9	Multicultural integration funding.....		5,478,200
10	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
11	Community residential and support services.....	\$	292,100
12	BEHAVIORAL HEALTH SERVICES		
13	Medicaid mental health services.....	\$	769,018,600
14	Community mental health non-Medicaid services.....		118,806,200
15	Medicaid substance use disorder services.....		17,313,500
16	State disability assistance program substance use		
17	disorder services		2,018,800
18	Community substance use disorder prevention,		
19	education, and treatment		13,547,400
20	Children's waiver home care program.....		6,970,000
21	Nursing home PAS/ARR-OBRA.....		2,727,800
22	Children with serious emotional disturbance waiver ...		2,500,000
23	Healthy Michigan plan - behavioral health.....		8,100,900
24	Autism services.....		21,863,000
25	HEALTH POLICY		
26	Primary care services.....	\$	87,700
27	LABORATORY SERVICES		

1	Laboratory services.....	\$	5,200
2	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
3	Immunization program.....	\$	1,042,700
4	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
5	AIDS prevention, testing, and care programs.....	\$	929,400
6	Cancer prevention and control program.....		102,700
7	Chronic disease control and health promotion		
8	administration		7,100
9	Essential local public health services.....		34,199,500
10	Health and wellness initiatives.....		1,918,300
11	Implementation of 1993 PA 133, MCL 333.17015		300
12	Sexually transmitted disease control program.....		194,300
13	FAMILY, MATERNAL, AND CHILD HEALTH		
14	Prenatal care outreach and service delivery support ..	\$	3,469,800
15	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
16	Outreach and advocacy.....	\$	2,755,000
17	Medical care and treatment.....		949,800
18	AGING AND ADULT SERVICES AGENCY		
19	Community services.....	\$	17,370,200
20	Nutrition services.....		11,087,000
21	Respite care program.....		5,868,700
22	Senior volunteer service programs.....		963,600
23	MEDICAL SERVICES		
24	Hospital services and therapy.....	\$	2,449,500
25	Physician services.....		12,504,900
26	Transportation.....		949,800
27	Dental services.....		1,402,400

1 Long-term care services..... 82,912,800
 2 TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT..... \$ 1,299,265,400

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

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

7 (a) "AIDS" means acquired immunodeficiency syndrome.

8 (b) "CMHSP" means a community mental health services program
 9 as that term is defined in section 100a of the mental health code,
 10 1974 PA 258, MCL 330.1100a.

11 (c) "Current fiscal year" means the fiscal year ending
 12 September 30, 2017.

13 (d) "Department" means the department of health and human
 14 services.

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

16 (f) "DSH" means disproportionate share hospital.

17 (g) "EPSDT" means early and periodic screening, diagnosis, and
 18 treatment.

19 (h) "Federal poverty level" means the poverty guidelines
 20 published annually in the Federal Register by the United States
 21 Department of Health and Human Services under its authority to
 22 revise the poverty line under 42 USC 9902.

23 (i) "FTE" means full-time equated.

24 (j) "GME" means graduate medical education.

25 (k) "Health plan" means, at a minimum, an organization that
 26 meets the criteria for delivering the comprehensive package of
 27 services under the department's comprehensive health plan.

1 (l) "HEDIS" means healthcare effectiveness data and
2 information set.

3 (m) "HMO" means health maintenance organization.

4 (n) "IDEA" means the individuals with disabilities education
5 act, 20 USC 1400 to 1482.

6 (o) "IDG" means interdepartmental grant.

7 (p) "MCH" means maternal and child health.

8 (q) "Medicaid" means subchapter XIX of the social security
9 act, 42 USC 1396 to 1396w-5.

10 (r) "Medicare" means subchapter XVIII of the social security
11 act, 42 USC 1395 to 1395lll.

12 (s) "MiCAFE" means Michigan's coordinated access to food for
13 the elderly.

14 (t) "MiChild" means the program described in section 1670.

15 (u) "MiSACWIS" means Michigan statewide automated child
16 welfare information system.

17 (v) "PAS/ARR-OBRA" means the preadmission screening and annual
18 resident review required under the omnibus budget reconciliation
19 act of 1987, section 1919(e)(7) of the social security act, 42 USC
20 1396r.

21 (w) "PIHP" means an entity designated by the department as a
22 regional entity or a specialty prepaid inpatient health plan for
23 Medicaid mental health services, services to individuals with
24 developmental disabilities, and substance use disorder services.
25 Regional entities are described in section 204b of the mental
26 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
27 inpatient health plans are described in section 232b of the mental

1 health code, 1974 PA 258, MCL 330.1232b.

2 (x) "Previous fiscal year" means the fiscal year ending
3 September 30, 2016.

4 (y) "Settlement" means the settlement agreement entered in the
5 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
6 States District Court for the Eastern District of Michigan.

7 (z) "SSI" means supplemental security income.

8 (aa) "Temporary assistance for needy families" or "TANF" or
9 "title IV-A" means part A of subchapter IV of the social security
10 act, 42 USC 601 to 619.

11 (bb) "Title IV-B" means part B of title IV of the social
12 security act, 42 USC 620 to 629m.

13 (cc) "Title IV-D" means part D of title IV of the social
14 security act, 42 USC 651 to 669b.

15 (dd) "Title IV-E" means part E of title IV of the social
16 security act, 42 USC 670 to 679c.

17 (ee) "Title X" means subchapter VIII of the public health
18 service act, 42 USC 300 to 300a-8, which establishes grants to
19 states for family planning services.

20 Sec. 204. In addition to the metrics required under section
21 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
22 each new program or program enhancement for which funds in excess
23 of \$1,000,000.00 are appropriated in part 1, the department shall
24 provide not later than November 1 of the current fiscal year a list
25 of program-specific metrics intended to measure its performance
26 based on a return on taxpayer investment. The department shall
27 deliver the program-specific metrics to members of the senate and

1 house subcommittees on the department budget, fiscal agencies, and
2 the state budget director. The department shall provide an update
3 on its progress in tracking program-specific metrics and the status
4 of program success at an appropriations subcommittee meeting called
5 for by the subcommittee chair.

6 Sec. 205. Pursuant to section 1b of the social welfare act,
7 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
8 part as a time-limited addendum to the social welfare act, 1939 PA
9 280, MCL 400.1 to 400.119b.

10 Sec. 206. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$400,000,000.00 for
12 federal contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393. These funds shall not be made available
16 to increase TANF authorization.

17 (2) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$45,000,000.00 for state
19 restricted contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (3) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$40,000,000.00 for local
25 contingency funds. These funds are not available for expenditure
26 until they have been transferred to another line item in part 1
27 under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

2 (4) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$60,000,000.00 for private
4 contingency funds. These funds are not available for expenditure
5 until they have been transferred to another line item in part 1
6 under section 393(2) of the management and budget act, 1984 PA 431,
7 MCL 18.1393.

8 Sec. 207. The department shall maintain, on a publicly
9 accessible website, a department scorecard that identifies, tracks,
10 and regularly updates key metrics that are used to monitor and
11 improve the department's performance.

12 Sec. 208. Unless otherwise specified, the departments and
13 agencies receiving appropriations in part 1 shall use the Internet
14 to fulfill the reporting requirements of this part and part 1. This
15 requirement shall include transmission of reports via electronic
16 mail to the recipients identified for each reporting requirement,
17 and it shall include placement of reports on the Internet.

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

1 Sec. 210. The director shall take all reasonable steps to
2 ensure businesses in deprived and depressed communities compete for
3 and perform contracts to provide services or supplies, or both.
4 Each director shall strongly encourage firms with which the
5 department contracts to subcontract with certified businesses in
6 depressed and deprived communities for services, supplies, or both.

7 Sec. 211. If the revenue collected by the department from fees
8 and collections exceeds the amount appropriated in part 1, the
9 revenue may be carried forward with the approval of the state
10 budget director into the subsequent fiscal year. The revenue
11 carried forward under this section shall be used as the first
12 source of funds in the subsequent fiscal year.

13 Sec. 212. (1) On or before February 1 of the current fiscal
14 year, the department shall report to the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, and the state budget director on the
17 detailed name and amounts of estimated federal, restricted,
18 private, and local sources of revenue that support the
19 appropriations in each of the line items in part 1.

20 (2) Upon the release of the next fiscal year executive budget
21 recommendation, the department shall report to the same parties in
22 subsection (1) on the amounts and detailed sources of federal,
23 restricted, private, and local revenue proposed to support the
24 total funds appropriated in each of the line items in part 1 of the
25 next fiscal year executive budget proposal.

26 Sec. 213. The state departments, agencies, and commissions
27 receiving tobacco tax funds and Healthy Michigan fund revenue from

1 part 1 shall report by April 1 of the current fiscal year to the
2 senate and house appropriations committees, the senate and house
3 fiscal agencies, and the state budget director on the following:

4 (a) Detailed spending plan by appropriation line item
5 including description of programs and a summary of organizations
6 receiving these funds.

7 (b) Description of allocations or bid processes including need
8 or demand indicators used to determine allocations.

9 (c) Eligibility criteria for program participation and maximum
10 benefit levels where applicable.

11 (d) Outcome measures used to evaluate programs, including
12 measures of the effectiveness of these programs in improving the
13 health of Michigan residents.

14 (e) Any other information considered necessary by the house of
15 representatives or senate appropriations committees or the state
16 budget director.

17 Sec. 214. By March 1 and August 1 of the current fiscal year,
18 the department shall report on the number of FTEs in pay status by
19 type of staff.

20 Sec. 215. If a legislative objective of this part or of a bill
21 or amendment to a bill to amend the social welfare act, 1939 PA
22 280, MCL 400.1 to 400.119b, cannot be implemented because
23 implementation would conflict with or violate federal regulations,
24 the department shall notify the state budget director, the chairs
25 of the house and senate subcommittees on the department budget, and
26 the house and senate fiscal agencies and policy offices of that
27 fact.

1 Sec. 216. (1) In addition to funds appropriated in part 1 for
2 all programs and services, there is appropriated for write-offs of
3 accounts receivable, deferrals, and for prior year obligations in
4 excess of applicable prior year appropriations, an amount equal to
5 total write-offs and prior year obligations, but not to exceed
6 amounts available in prior year revenues.

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

12 Sec. 217. The departments and agencies receiving
13 appropriations in part 1 shall prepare a report on out-of-state
14 travel expenses not later than January 1 of each year. The travel
15 report shall be a listing of all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the senate and house appropriations committees, the
20 house and senate fiscal agencies, and the state budget director.
21 The report shall include the following information:

22 (a) The dates of each travel occurrence.

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

1 Sec. 218. The department shall include, but not be limited to,
2 the following in its annual list of proposed basic health services
3 as required in part 23 of the public health code, 1978 PA 368, MCL
4 333.2301 to 333.2321:

5 (a) Immunizations.

6 (b) Communicable disease control.

7 (c) Sexually transmitted disease control.

8 (d) Tuberculosis control.

9 (e) Prevention of gonorrhoea eye infection in newborns.

10 (f) Screening newborns for the conditions listed in section
11 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
12 recommended by the newborn screening quality assurance advisory
13 committee created under section 5430 of the public health code,
14 1978 PA 368, MCL 333.5430.

15 (g) Health and human services annex of the Michigan emergency
16 management plan.

17 (h) Prenatal care.

18 Sec. 219. (1) The department may contract with the Michigan
19 Public Health Institute for the design and implementation of
20 projects and for other public health-related activities prescribed
21 in section 2611 of the public health code, 1978 PA 368, MCL
22 333.2611. The department may develop a master agreement with the
23 Institute to carry out these purposes for up to a 3-year period.
24 The department shall report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget director on or before January 1 of
27 the current fiscal year all of the following:

1 (a) A detailed description of each funded project.

2 (b) The amount allocated for each project, the appropriation
3 line item from which the allocation is funded, and the source of
4 financing for each project.

5 (c) The expected project duration.

6 (d) A detailed spending plan for each project, including a
7 list of all subgrantees and the amount allocated to each
8 subgrantee.

9 (2) On or before September 30 of the current fiscal year, the
10 department shall provide to the same parties listed in subsection
11 (1) a copy of all reports, studies, and publications produced by
12 the Michigan Public Health Institute, its subcontractors, or the
13 department with the funds appropriated in part 1 and allocated to
14 the Michigan Public Health Institute.

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

21 Sec. 222. (1) The department shall make the entire policy and
22 procedures manual available and accessible to the public via the
23 department website.

24 (2) The department shall report no later than April 1 of the
25 current fiscal year on each specific policy change made to
26 implement a public act affecting the department that took effect
27 during the prior calendar year to the house and senate

1 appropriations subcommittees on the department budget, the joint
2 committee on administrative rules, and the senate and house fiscal
3 agencies and policy offices. The department shall attach each
4 policy bulletin issued during the prior calendar year to this
5 report.

6 Sec. 223. The department may establish and collect fees for
7 publications, videos and related materials, conferences, and
8 workshops. Collected fees shall be used to offset expenditures to
9 pay for printing and mailing costs of the publications, videos and
10 related materials, and costs of the workshops and conferences. The
11 department shall not collect fees under this section that exceed
12 the cost of the expenditures.

13 Sec. 224. The department may retain all of the state's share
14 of food assistance overissuance collections as an offset to general
15 fund/general purpose costs. Retained collections shall be applied
16 against federal funds deductions in all appropriation units where
17 department costs related to the investigation and recoupment of
18 food assistance overissuances are incurred. Retained collections in
19 excess of such costs shall be applied against the federal funds
20 deducted in the departmentwide administration appropriation unit.

21 Sec. 225. (1) Sanctions, suspensions, conditions for
22 provisional license status, and other penalties shall not be more
23 stringent for private service providers than for public entities
24 performing equivalent or similar services.

25 (2) Neither the department nor private service providers or
26 licensees shall be granted preferential treatment or considered
27 automatically to be in compliance with administrative rules based

1 on whether they have collective bargaining agreements with direct
2 care workers. Private service providers or licensees without
3 collective bargaining agreements shall not be subjected to
4 additional requirements or conditions of licensure based on their
5 lack of collective bargaining agreements.

6 Sec. 231. From the funds appropriated in part 1 for travel
7 reimbursements to employees, the department shall allocate up to
8 \$100,000.00 toward reimbursing counties for the out-of-pocket
9 travel costs of the local county department board members and
10 county department directors to attend 1 meeting per year of the
11 Michigan County Social Services Association.

12 Sec. 233. By March 31 and September 30 of the current fiscal
13 year, the department shall report to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office on the status of the merger, executed
17 according to Executive Order No. 2015-4, of the department of
18 community health and the department of human services to create the
19 department of health and human services. The report must indicate
20 changes from the prior report and shall include, but not be limited
21 to, all of the following information:

22 (a) The impact on client service delivery or access to
23 services, including the restructuring or consolidation of services.

24 (b) Any cost increases or reductions that resulted from rent
25 or building occupancy changes.

26 (c) Facilities in use, including any office closures or
27 consolidations, or new office locations, including hoteling

1 stations.

2 (d) Current status of FTE positions, including the number of
3 FTE positions that were eliminated or added due to duplication of
4 efforts.

5 (e) Any other efficiencies, costs, or savings associated with
6 the merger.

7 Sec. 234. The department shall include specific outcome and
8 performance reporting requirements in the interagency agreement
9 with the Michigan talent investment agency for TANF funding to
10 provide job readiness and welfare-to-work programming. TANF funding
11 provided to the Michigan talent investment agency in the current
12 fiscal year is contingent on compliance with the data and reporting
13 requirements described in this section. The interagency agreement
14 must require the Michigan talent investment agency to provide all
15 of the following items by January 1 of the current fiscal year for
16 the previous fiscal year to the senate and house appropriations
17 committees and the state budget office:

18 (a) An itemized spending report on TANF funding, including all
19 of the following:

20 (i) Direct services to clients.

21 (ii) Administrative expenditures.

22 (b) The number of family independence program (FIP) clients
23 served through the TANF funding, including all of the following:

24 (i) The number and percentage who obtained employment through
25 Michigan Works!

26 (ii) The number and percentage who fulfilled their TANF work
27 requirement through other job readiness programming.

1 (iii) Average TANF spending per client.

2 (iv) The number and percentage of clients who were referred to
3 Michigan Works! but did not receive a job or job readiness
4 placement and the reasons why.

5 Sec. 240. The department shall notify the house and senate
6 appropriations subcommittees on the department budget, the house
7 and senate fiscal agencies, and the house and senate policy offices
8 of any changes to a child welfare master contract template,
9 including the adoption master contract template, the independent
10 living plus master contract template, the placing agency foster
11 care master contract template, and the residential foster care
12 juvenile justice master contract template, not less than 30 days
13 before the change takes effect.

14 Sec. 252. The appropriations in part 1 for Healthy Michigan
15 plan - behavioral health, Healthy Michigan plan administration, and
16 Healthy Michigan plan are contingent on the provisions of the
17 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
18 contained in 2013 PA 107 not being amended, repealed, or otherwise
19 altered to eliminate the Healthy Michigan plan. If that occurs,
20 then, upon the effective date of the amendatory act that amends,
21 repeals, or otherwise alters those provisions, the remaining funds
22 in the Healthy Michigan plan - behavioral health, Healthy Michigan
23 plan administration, and Healthy Michigan plan line items shall
24 only be used to pay previously incurred costs and any remaining
25 appropriations shall not be allotted to support those line items.

26 Sec. 263. (1) Before submission of a waiver, a state plan
27 amendment, or a similar proposal to the Centers for Medicare and

1 Medicaid Services or other federal agency, the department shall
2 provide written notification to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies and policy offices, and the state budget office of the
5 planned submission.

6 (2) The department shall provide written biannual reports to
7 the senate and house appropriations subcommittees on the department
8 budget, the senate and house fiscal agencies, and the state budget
9 office summarizing the status of any new or ongoing discussions
10 with the Centers for Medicare and Medicaid Services or the United
11 States Department of Health and Human Services or other federal
12 agency regarding potential or future waiver applications, as well
13 as the status of submitted waivers that have not yet received
14 federal approval. If, at the time a biannual report is due, there
15 are no reportable items, then no report is required to be provided.

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

19 Sec. 265. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittee chairs on
23 the department budget, and the senate and house fiscal agencies
24 with an annual report on estimated state restricted fund balances,
25 state restricted fund projected revenues, and state restricted fund
26 expenditures for the previous fiscal year and the current fiscal
27 year.

1 Sec. 270. The department shall advise the legislature of the
2 receipt of a notification from the attorney general's office of a
3 legal action in which expenses had been recovered pursuant to
4 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,
5 or any other statute under which the department has the right to
6 recover expenses. By November 1 and May 1 of the current fiscal
7 year, the department shall submit a written report to the house and
8 senate appropriations subcommittees on the department budget, the
9 house and senate fiscal agencies, and the state budget office which
10 includes, at a minimum, all of the following:

11 (a) The total amount recovered from the legal action.

12 (b) The program or service for which the money was originally
13 expended.

14 (c) Details on the disposition of the funds recovered such as
15 the appropriation or revenue account in which the money was
16 deposited.

17 (d) A description of the facts involved in the legal action.

18 Sec. 274. (1) The department, in collaboration with the state
19 budget office, shall not utilize capped federal funding for
20 economics adjustments for FTEs or other economics costs that are
21 included as part of the budget submitted to the legislature by the
22 governor for the ensuing fiscal year.

23 (2) The department, in collaboration with the state budget
24 office, shall submit to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the house and senate policy offices 1 week after the
27 day the governor submits to the legislature the budget for the

1 ensuing fiscal year a report on spending and revenue projections
2 for each of the capped federal funds listed below. The report shall
3 contain actual spending and revenue in the previous fiscal year,
4 spending and revenue projections for the current fiscal year as
5 enacted, and spending and revenue projections within the executive
6 budget proposal for the fiscal year beginning October 1, 2017 for
7 each individual line item for the department budget. The report
8 shall also include federal funds transferred to other departments.
9 The capped federal funds shall include, but not be limited to, all
10 of the following:

11 (a) TANF.

12 (b) Title XX social services block grant.

13 (c) Title IV-B part I child welfare services block grant.

14 (d) Title IV-B part II promoting safe and stable families
15 funds.

16 (e) Low-income home energy assistance program.

17 Sec. 276. Funds appropriated in part 1 shall not be used by a
18 principal executive department, state agency, or authority to hire
19 a person to provide legal services that are the responsibility of
20 the attorney general. This prohibition does not apply to legal
21 services for bonding activities and for those outside services that
22 the attorney general authorizes.

23 Sec. 279. (1) All master contracts relating to human services
24 as funded by the appropriations in sections 103, 104, 105, 106,
25 107, 108, and 109 of part 1 shall be performance-based contracts
26 that employ a client-centered results-oriented process that is
27 based on measurable performance indicators and desired outcomes and

1 includes the annual assessment of the quality of services provided.

2 (2) By February 1 of the current fiscal year, the department
3 shall provide the senate and house appropriations subcommittees on
4 the department budget, the senate and house fiscal agencies and
5 policy offices, and the state budget office a report detailing
6 measurable performance indicators, desired outcomes, and an
7 assessment of the quality of services provided by the department
8 during the previous fiscal year.

9 Sec. 280. On a quarterly basis, the department shall provide a
10 report to the house and senate appropriations committees, the house
11 and senate fiscal agencies, the house and senate policy offices,
12 and the state budget director that provides all of the following
13 for each line item in part 1 containing personnel-related costs,
14 including the specific individual amounts for salaries and wages,
15 payroll taxes, and fringe benefits:

16 (a) FTE authorization.

17 (b) Spending authorization for personnel-related costs, by
18 fund source, under the spending plan.

19 (c) Actual year-to-date expenditures for personnel-related
20 costs, by fund source, through the end of the prior month.

21 (d) The projected year-end balance or shortfall for personnel-
22 related costs, by fund source, based on actual monthly spending
23 levels through the end of the prior month.

24 (e) A specific plan for addressing any projected shortfall for
25 personnel-related costs at either the gross or fund source level.

26 Sec. 287. Not later than November 30, the state budget office
27 shall prepare and transmit a report that provides for estimates of

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

8 Sec. 290. Any public advertisement for state food assistance
9 shall also inform the public of the welfare fraud hotline operated
10 by the department.

11 Sec. 291. The department shall verify, using the e-verify
12 system, that all new department employees, and new hire employees
13 of contractors and subcontractors paid from funds appropriated in
14 part 1, are legally present in the United States. The department
15 may verify this information directly or may require contractors and
16 subcontractors to verify the information and submit a certification
17 to the department.

18 Sec. 292. The department shall cooperate with the department
19 of technology, management, and budget to maintain a searchable
20 website accessible by the public at no cost that includes, but is
21 not limited to, all of the following for each department or agency:

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

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

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

27 (d) The number of active department employees by job

1 House Bill No. 5294 as amended April 27, 2016
classification.

[Sec. 293. (1) From the funds appropriated in part 1 for Michigan Medicaid information system, \$100.00 shall be allocated for a pilot project to implement a cloud-based, interactive analytics platform for Medicaid claims to identify areas of best practice, cost-reduction and quality improvement opportunities, and comparative cost analysis among providers, hospitals, and managed care organizations. The analytics platform shall include the ability to adjust for variations in patient risk and acuity differences when comparing performance across regions and hospitals. The analytics platform shall provide data analysis on, but not be limited to, readmission rates, mortality, complication rates, and total episode costs across high volume acute episodes of care, including pre- and post-discharge costs.

(2) The pilot project shall include a methodology to identify and measure savings generated by the project. The amount appropriated for the pilot project shall not exceed the anticipated savings generated by the project.

(3) The unexpended funds appropriated in part 1 for the pilot project described in this section are considered work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the pilot project under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement a statewide data analytics platform for Medicaid claims to identify areas of best practice, cost-reduction and quality improvement opportunities, and comparative costs analysis among providers, hospitals, and managed care organizations.

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

(c) The estimated cost of this work project is \$100.00.

(d) The estimated work project completion date is September 30, 2021.]

2 (e) Job specifications and wage rates.

3 Sec. 294. From the funds appropriated in part 1 for the
4 Michigan Medicaid information system (MMIS) line item,
5 \$20,000,000.00 in private revenue may be received from and
6 allocated for other states interested in participating as part of
7 the broader MMIS initiative. By March 1 of the current fiscal year,
8 the department shall provide a report on the use of MMIS by other
9 states for the previous fiscal year, including a list of states,

10 type of use, and revenue and expenditures related to the agreements
11 with the other states to use the MMIS. The report shall be provided
12 to the house and senate appropriations subcommittees on the
13 department budget, the house and senate fiscal agencies, and the
14 state budget office.

15 Sec. 295. (1) From the funds appropriated in part 1 to
16 agencies providing physical and behavioral health services to
17 multicultural populations, the department shall competitively award
18 grants in accordance with the requirements of subsection (2). The
19 state shall not be liable for any spending above the contract
20 amount.

21 (2) The department shall require each contractor described in
22 subsection (1) that receives greater than \$1 million in state grant
23 funding to comply with performance-related metrics to maintain
24 their eligibility for funding. The organizational metrics shall
25 include, but not be limited to, all of the following:

26 (a) Each contractor or subcontractor shall have accreditations
27 that attest to their competency and effectiveness as behavioral

1 health and social services agencies.

2 (b) Each contractor or subcontractor shall have a mission that
3 is consistent with the purpose of the multicultural agency.

4 (c) Each contractor shall validate that any subcontractors
5 utilized within these appropriations share the same mission as the
6 lead agency receiving funding.

7 (d) Each contractor or subcontractor shall demonstrate cost-
8 effectiveness.

9 (e) Each contractor or subcontractor shall ensure its ability
10 to leverage private dollars to strengthen and maximize service
11 provision.

12 (f) Each contractor or subcontractor shall provide timely and
13 accurate reports regarding the number of clients served, units of
14 service provision, and ability to meet its stated goals.

15 (3) The department shall require an annual report from the
16 contractors described in subsection (2). The annual report, due 60
17 days following the end of the contract period, shall include
18 specific information on services and programs provided, the client
19 base to which the services and programs were provided, information
20 on any wraparound services provided, and the expenditures for those
21 services. The department shall provide the annual reports to the
22 senate and house appropriations subcommittees on health and human
23 services, the senate and house fiscal agencies, and the state
24 budget office.

25 Sec. 296. By March 1 of the current fiscal year, the
26 department shall provide to the senate and house appropriations
27 subcommittees on the department budget, the senate and house fiscal

1 agencies, and the senate and house policy offices an annual report
2 on the supervisor-to-staff ratio by department divisions and
3 subdivisions.

4 Sec. 297. Total authorized appropriations from all sources
5 under part 1 for legacy costs for the current fiscal year are
6 \$364,972,800.00. From this amount, total agency appropriations for
7 pension-related legacy costs are estimated at \$202,368,400.00.
8 Total agency appropriations for retiree health care legacy costs
9 are estimated at \$162,604,400.00.

10 Sec. 298. (1) The department shall work with a workgroup to
11 make recommendations regarding the most effective financing model
12 and policies for behavioral health services in order to improve the
13 coordination of behavioral and physical health services for
14 individuals with mental illnesses, intellectual and developmental
15 disabilities, and substance use disorders. The workgroup shall
16 include, but not be limited to, the Michigan Association of
17 Community Mental Health Boards, the Michigan Association of Health
18 Plans, and advocates for consumers of behavioral health services.

19 (2) The workgroup shall consider the following goals in making
20 its recommendations:

21 (a) Core principles of person-centered planning, self-
22 determination, and recovery orientation.

23 (b) Avoiding the return to a medical and institutional model
24 of supports and services for individuals with behavioral health and
25 developmental disability needs.

26 (c) Coordination of physical health and behavioral health care
27 and services at the point at which the consumer receives that care

1 and those services.

2 (3) The workgroup's recommendations shall include a detailed
3 plan for the transition to any new financing model or policies
4 recommended by the workgroup, including a plan to ensure continuity
5 of care for consumers of behavioral health services in order to
6 prevent current customers of behavioral health services from
7 experiencing a disruption of services and supports. The workgroup
8 shall consider the use of 1 or more pilot programs in areas with an
9 appropriate number of consumers of behavioral health services and a
10 range of behavioral health needs as part of that transition plan.

11 (4) The department shall provide, after each workgroup
12 meeting, a status update on the workgroup's progress and, by
13 December 1 of the current fiscal year, a final report on the
14 workgroup's recommendations to the senate and house appropriations
15 subcommittees on the department budget, the senate and house fiscal
16 agencies, and the state budget office.

17 (5) No funding that has been paid to the prepaid inpatient
18 health plans in prior fiscal years from the Medicaid mental health
19 services, Medicaid substance use disorder services, Healthy
20 Michigan plan - behavioral health, or autism services appropriation
21 line items shall be transferred or paid to any other entity without
22 specific legislative authorization through enactment of a budget
23 act containing appropriation line item changes or authorizing
24 boilerplate language.

25 Sec. 299. No state department or agency shall issue a request
26 for proposal (RFP) for a contract in excess of \$5,000,000.00,
27 unless the department or agency has first considered issuing a

1 request for information (RFI) or a request for qualification (RFQ)
2 relative to that contract to better enable the department or agency
3 to learn more about the market for the products or services that
4 are the subject of the RFP. The department or agency shall notify
5 the department of technology, management, and budget of the
6 evaluation process used to determine if an RFI or RFQ was not
7 necessary prior to issuing the RFP.

8 **DEPARTMENTWIDE ADMINISTRATION**

9 Sec. 307. (1) From the funds appropriated in part 1 for
10 demonstration projects, \$950,000.00 shall be distributed as
11 provided in subsection (2). The amount distributed under this
12 subsection shall not exceed 50% of the total operating expenses of
13 the program described in subsection (2), with the remaining 50%
14 paid by local United Way organizations and other nonprofit
15 organizations and foundations.

16 (2) Funds distributed under subsection (1) shall be
17 distributed to Michigan 2-1-1, a nonprofit corporation organized
18 under the laws of this state that is exempt from federal income tax
19 under section 501(c)(3) of the internal revenue code, 26 USC
20 501(c)(3), and whose mission is to coordinate and support a
21 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
22 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
23 in January 2005.

24 (3) Michigan 2-1-1 shall refer to the department any calls
25 received reporting fraud, waste, or abuse of state-administered
26 public assistance.

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

9 Sec. 310. It is the intent of the legislature that the
10 department shall work with youth-oriented nonprofit organizations
11 to provide mentoring programming for children of incarcerated
12 parents and other at-risk children.

13 Sec. 316. From the funds appropriated in part 1 for terminal
14 leave payouts and other employee costs, the department shall not
15 spend in excess of its annual gross appropriation unless it
16 identifies and requests a legislative transfer from another
17 budgetary line item supporting administrative costs, as provided by
18 section 393(2) of the management and budget act, 1984 PA 431, MCL
19 18.1393.

20 Sec. 320. Effective October 1, 2015, the department shall not
21 expend funds appropriated in part 1 for rental payments or
22 operational expenses for state lease number 2719 for the premises
23 located at 103 Court Street in Munising, Michigan.

24 **CHILD SUPPORT ENFORCEMENT**

25 Sec. 401. (1) The appropriations in part 1 assume a total
26 federal child support incentive payment of \$26,500,000.00.

1 (2) From the federal money received for child support
2 incentive payments, \$12,000,000.00 shall be retained by the state
3 and expended for child support program expenses.

4 (3) From the federal money received for child support
5 incentive payments, \$14,500,000.00 shall be paid to the counties
6 based on each county's performance level for each of the federal
7 performance measures as established in 45 CFR 305.2.

8 (4) If the child support incentive payment to the state from
9 the federal government is greater than \$26,500,000.00, then 100% of
10 the excess shall be retained by the state and is appropriated until
11 the total retained by the state reaches \$15,397,400.00.

12 (5) If the child support incentive payment to the state from
13 the federal government is greater than the amount needed to satisfy
14 the provisions identified in subsections (1), (2), (3), and (4),
15 the additional funds shall be subject to appropriation by the
16 legislature.

17 (6) If the child support incentive payment to the state from
18 the federal government is less than \$26,500,000.00, then the state
19 and county share shall each be reduced by 50% of the shortfall.

20 Sec. 409. (1) If statewide retained child support collections
21 exceed \$38,300,000.00, 75% of the amount in excess of
22 \$38,300,000.00 is appropriated to legal support contracts. This
23 excess appropriation may be distributed to eligible counties to
24 supplement and not supplant county title IV-D funding.

25 (2) Each county whose retained child support collections in
26 the current fiscal year exceed its fiscal year 2004-2005 retained
27 child support collections, excluding tax offset and financial

1 institution data match collections in both the current year and
2 fiscal year 2004-2005, shall receive its proportional share of the
3 75% excess.

4 Sec. 410. (1) If title IV-D-related child support collections
5 are escheated, the state budget director is authorized to adjust
6 the sources of financing for the funds appropriated in part 1 for
7 legal support contracts to reduce federal authorization by 66% of
8 the escheated amount and increase general fund/general purpose
9 authorization by the same amount. This budget adjustment is
10 required to offset the loss of federal revenue due to the escheated
11 amount being counted as title IV-D program income in accordance
12 with federal regulations at 45 CFR 304.50.

13 (2) The department shall notify the chairs of the house and
14 senate appropriations subcommittees on the department budget and
15 the house and senate fiscal agencies within 15 days of the
16 authorization adjustment in subsection (1).

17 **COMMUNITY SERVICES AND OUTREACH**

18 Sec. 450. (1) From the funds appropriated in part 1 for school
19 success partnership program, the department shall allocate
20 \$450,000.00 by December 1 of the current fiscal year to support the
21 Northeast Michigan Community Service Agency programming, which will
22 take place in each county in the Governor's Prosperity Region 3.
23 The department shall require the following performance objectives
24 be measured and reported for the duration of the state funding for
25 the school success partnership program:

26 (a) Increasing school attendance and decreasing chronic

1 absenteeism.

2 (b) Increasing academic performance based on grades with
3 emphasis on math and reading.

4 (c) Identifying barriers to attendance and success and
5 connecting families with resources to reduce these barriers.

6 (d) Increasing parent involvement with the parent's child's
7 school and community.

8 (2) The Northeast Michigan Community Service Agency shall
9 provide reports to the department on January 31 and June 30 of the
10 current fiscal year on the number of children and families served
11 and the services that were provided to families to meet the
12 performance objectives identified in this section. The department
13 shall distribute the reports within 1 week after receipt to the
14 house and senate appropriations subcommittees on the department
15 budget, house and senate fiscal agencies, house and senate policy
16 offices, and the state budget office.

17 Sec. 451. From the funds appropriated in part 1 for crime
18 victim justice assistance grants, the department shall continue to
19 support forensic nurse examiner programs to facilitate training for
20 improved evidence collection for the prosecution of sexual assault.
21 The funds shall be used for program coordination and training.

22 Sec. 452. From the funds appropriated in part 1 for rape
23 prevention and services, \$100.00 funding shall be allocated to fund
24 sexual assault comprehensive services program grants in addition to
25 the amount of funding allocated for these grants in the fiscal year
26 ending September 30, 2016.

1 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

2 Sec. 501. (1) A goal is established that not more than 25% of
3 all children in foster care at any given time during the current
4 fiscal year will have been in foster care for 24 months or more.

5 (2) By March 1 of the current fiscal year, the department
6 shall provide to the senate and house appropriations subcommittees
7 on the department budget, the senate and house fiscal agencies, the
8 senate and house policy offices, and the state budget office a
9 report describing the steps that will be taken to achieve the
10 specific goal established in this section and on the percentage of
11 children who currently are in foster care and who have been in
12 foster care a total of 24 or more months.

13 Sec. 502. From the funds appropriated in part 1 for foster
14 care, the department shall provide 50% reimbursement to Indian
15 tribal governments for foster care expenditures for children who
16 are under the jurisdiction of Indian tribal courts and who are not
17 otherwise eligible for federal foster care cost sharing.

18 Sec. 503. (1) In accordance with the final report of the
19 Michigan child welfare performance-based funding task force issued
20 in response to section 503 of article X of 2013 PA 59, the
21 department shall continue to develop actuarially sound case rates
22 for necessary out-of-home child welfare services that achieve
23 permanency by the department and private child placing agencies in
24 a prospective payment system under a performance-based funding
25 model.

26 (2) The department shall continue to develop a prospective
27 rate payment system for private agencies that includes funding for

1 adoption incentive payments. The full cost prospective rate payment
2 system will identify and cover contractual costs paid through the
3 case rate developed by an independent actuary.

4 (3) If not provided in the previous year, by September 30 of
5 the current fiscal year, the department shall complete a full cost
6 analysis of the performance-based funding model with respect to the
7 current fiscal year, including relevant information on the
8 actuarial rate-setting process, and provide a report on the
9 analysis to the senate and house appropriations subcommittees on
10 the department budget.

11 (4) In accordance with the final report of the Michigan child
12 welfare performance-based funding task force issued in response to
13 section 503 of article X of 2013 PA 59, the department shall
14 implement a 5-year independent, third-party evaluation of the
15 performance-based funding model. The evaluator shall be selected
16 through a competitive process by a rating committee that includes,
17 but is not limited to, representatives from the department and
18 private child placing agencies.

19 (5) The department shall only phase the implementation of the
20 performance-based funding model into additional counties where the
21 department, private child welfare agencies, the county, and the
22 court operating within that county have agreed to implement the
23 performance-based funding model.

24 (6) The department, in conjunction with members from both the
25 house of representatives and senate, private child placing
26 agencies, the courts, and counties shall implement the
27 recommendations that are described in the workgroup report that was

1 provided in section 503 of article X of 2013 PA 59 to establish a
2 performance-based funding for public and private child welfare
3 services providers. The department shall provide a quarterly report
4 on the status of the performance-based contracting model to the
5 senate and house appropriations subcommittees on the department
6 budget, the senate and house standing committees on families and
7 human services, the senate and house fiscal agencies and policy
8 offices, and the state budget office.

9 (7) From the funds appropriated in part 1 for the performance-
10 based funding model pilot, the department shall continue to work
11 with the West Michigan Partnership for Children Consortium on the
12 implementation of the performance-based funding model pilot. The
13 consortium shall accept and comprehensively assess referred youth,
14 assign cases to members of its continuum or leverage services from
15 other entities, and make appropriate case management decisions
16 during the duration of a case. The consortium shall operate an
17 integrated continuum of care structure, with services provided by
18 both private and public agencies, based on individual case needs.
19 The consortium shall demonstrate significant organizational
20 capacity and competencies, including experience with managing risk-
21 based contracts, financial strength, experienced staff and
22 leadership, and appropriate governance structure.

23 Sec. 504. (1) The department may establish a master agreement
24 with a consortium in Kent County for a performance-based child
25 welfare contracting pilot program. The consortium must be
26 recognized by this state as a nonprofit organization and must have
27 submitted an application to the Internal Revenue Service for

1 501(c)(3) status. The consortium shall consist of a network of
2 affiliated child welfare service providers that will accept and
3 comprehensively assess referred youth, assign cases to members of
4 its continuum or leverage services from other entities, and make
5 appropriate case management decisions during the duration of a
6 case.

7 (2) The consortium shall operate an integrated continuum of
8 care structure, with services provided by private or public
9 agencies, based on individual case needs. The consortium shall
10 demonstrate significant organizational capacity and competencies,
11 including financial strength, experienced staff and leadership, and
12 appropriate governance structure.

13 (3) By March 1 of the current fiscal year, the consortium
14 shall provide to the department, the house and senate
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, and the state budget office a report on
17 the status of the implementation of the consortium, including, but
18 not limited to, actual expenditures.

19 Sec. 505. By March 1 of the current fiscal year, the
20 department and Wayne County shall provide to the senate and house
21 appropriations subcommittees on the department budget, the senate
22 and house fiscal agencies and policy offices, and the state budget
23 office a report for youth served in the previous fiscal year and in
24 the first quarter of the current fiscal year outlining the number
25 of youth served within each juvenile justice system, the type of
26 setting for each youth, performance outcomes, and financial costs
27 or savings.

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

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

11 (2) The department and the child abuse and neglect prevention
12 board shall collaborate to ensure that administrative delays are
13 avoided and the local grant recipients and direct service providers
14 receive money in an expeditious manner. The department and board
15 shall make available the children's trust fund contract funds to
16 grantees within 31 days of the start date of the funded project.

17 Sec. 511. The department shall provide semiannual reports to
18 the senate and house appropriations subcommittees on the department
19 budget, the senate and house standing committees on families and
20 human services, and the senate and house fiscal agencies and policy
21 offices on the number and percentage of children who received
22 timely health examinations after entry into foster care and the
23 number and percentage of children entering foster care who received
24 a required mental health examination after entry into foster care.

25 Sec. 513. (1) The department shall not expend funds
26 appropriated in part 1 to pay for the direct placement by the
27 department of a child in an out-of-state facility unless all of the

1 following conditions are met:

2 (a) There is no appropriate placement available in this state
3 as determined by the department interstate compact office.

4 (b) An out-of-state placement exists that is nearer to the
5 child's home than the closest appropriate in-state placement as
6 determined by the department interstate compact office.

7 (c) The out-of-state facility meets all of the licensing
8 standards of this state for a comparable facility.

9 (d) The out-of-state facility meets all of the applicable
10 licensing standards of the state in which it is located.

11 (e) The department has done an on-site visit to the out-of-
12 state facility, reviewed the facility records, reviewed licensing
13 records and reports on the facility, and believes that the facility
14 is an appropriate placement for the child.

15 (2) The department shall not expend money for a child placed
16 in an out-of-state facility without approval of the deputy director
17 for children's services.

18 (3) The department shall submit an annual report to the state
19 court administrative office, the house and senate appropriations
20 subcommittees on the department budget, the house and senate fiscal
21 agencies, the house and senate policy offices, and the state budget
22 office on the number of Michigan children residing in out-of-state
23 facilities at the time of the report, the total cost and average
24 per diem cost of these out-of-state placements to this state, and a
25 list of each such placement arranged by the Michigan county of
26 residence for each child.

27 (4) It is the intent of the legislature that the department

1 shall work in conjunction with the courts and the state court
2 administrative office to identify data needed to calculate
3 statewide recidivism rates for adjudicated youth placed in either
4 residential secure or nonsecure facilities, defined at 6 months
5 after a youth is released from placement.

6 (5) By March 1 of the current fiscal year, the department
7 shall notify the legislature on the status of efforts to accomplish
8 the intent of subsection (4).

9 Sec. 514. The department shall make a comprehensive report
10 concerning children's protective services (CPS) to the legislature,
11 including the senate and house policy offices and the state budget
12 director, by March 1 of the current fiscal year, that shall include
13 all of the following:

14 (a) Statistical information including, at a minimum, all of
15 the following:

16 (i) The total number of reports of child abuse or child
17 neglect investigated under the child protection law, 1975 PA 238,
18 MCL 722.621 to 722.638, and the number of cases classified under
19 category I or category II and the number of cases classified under
20 category III, category IV, or category V.

21 (ii) Characteristics of perpetrators of child abuse or child
22 neglect and the child victims, such as age, relationship, race, and
23 ethnicity and whether the perpetrator exposed the child victim to
24 drug activity, including the manufacture of illicit drugs, that
25 exposed the child victim to substance abuse, a drug house, or
26 methamphetamine.

27 (iii) The mandatory reporter category in which the individual

1 who made the report fits, or other categorization if the individual
2 is not within a group required to report under the child protection
3 law, 1975 PA 238, MCL 722.621 to 722.638.

4 (iv) The number of cases that resulted in the separation of
5 the child from the parent or guardian and the period of time of
6 that separation, up to and including termination of parental
7 rights.

8 (v) For the reported complaints of child abuse or child
9 neglect by teachers, school administrators, and school counselors,
10 the number of cases classified under category I or category II and
11 the number of cases classified under category III, category IV, or
12 category V.

13 (vi) For the reported complaints of child abuse or child
14 neglect by teachers, school administrators, and school counselors,
15 the number of cases that resulted in separation of the child from
16 the parent or guardian and the period of time of that separation,
17 up to and including termination of parental rights.

18 (b) New policies related to children's protective services
19 including, but not limited to, major policy changes and court
20 decisions affecting the children's protective services system
21 during the immediately preceding 12-month period.

22 (c) Statistical information regarding families that were
23 classified in category III, including all of the following:

24 (i) The total number of cases classified in category III.

25 (ii) The number of cases in category III referred to voluntary
26 community services and closed with no additional monitoring.

27 (iii) The number of cases in category III referred to

1 voluntary community services and monitored for up to 90 days.

2 (iv) The number of cases in category III for which the
3 department entered more than 1 determination that there was
4 evidence of child abuse or child neglect.

5 (v) The number of cases in category III that the department
6 reclassified from category III to category II.

7 (vi) The number of cases in category III that the department
8 reclassified from category III to category I.

9 (vii) The number of cases in category III that the department
10 reclassified from category III to category I that resulted in a
11 removal.

12 (d) The department policy, or changes to the department
13 policy, regarding children who have been exposed to the production
14 or manufacture of methamphetamines.

15 Sec. 519. The department shall permit any private agency that
16 has an existing contract with this state to provide foster care
17 services to be also eligible to provide treatment foster care
18 services.

19 Sec. 523. (1) By February 15 of the current fiscal year, the
20 department shall report on the families first, family
21 reunification, and families together building solutions family
22 preservation programs to the senate and house appropriations
23 subcommittees on the department budget, the senate and house fiscal
24 agencies, the senate and house policy offices, and the state budget
25 office. The report shall provide an estimate of total costs savings
26 as a result of avoiding placement of children in foster care for
27 families who received family preservation services and shall

1 include information for each program on any innovations that may
2 increase savings or reductions in administrative costs.

3 (2) From the funds appropriated in part 1 for youth in
4 transition and domestic violence prevention and treatment, the
5 department is authorized to make allocations of TANF funds only to
6 agencies that report necessary data to the department for the
7 purpose of meeting TANF eligibility reporting requirements.

8 Sec. 524. As a condition of receiving funds appropriated in
9 part 1 for strong families/safe children, counties must submit the
10 service spending plan to the department by October 1 of the current
11 fiscal year for approval. The department shall approve the service
12 spending plan within 30 calendar days after receipt of a properly
13 completed service spending plan.

14 Sec. 525. The department shall implement the same on-site
15 evaluation processes for privately operated child welfare and
16 juvenile justice residential facilities as is used to evaluate
17 state-operated facilities. Penalties for noncompliance shall be the
18 same for privately operated child welfare and juvenile justice
19 residential facilities and state-operated facilities.

20 Sec. 526. From the funds appropriated in part 1 for foster
21 care payments and related administrative costs, the department may
22 implement the federally approved title IV-E child welfare waiver
23 demonstration project. As required under the waiver, any savings
24 resulting from the demonstration project must be quantified and
25 reinvested into child welfare programming.

26 Sec. 532. The department, in collaboration with
27 representatives of private child and family agencies, shall revise

1 and improve the annual licensing review process and the annual
2 contract compliance review process for child placing agencies and
3 child caring institutions. The improvement goals shall be safety
4 and care for children. Improvements to the review process shall be
5 directed toward alleviating administrative burdens so that agency
6 resources may be focused on children. The revision shall include
7 identification of duplicative staff activities and information
8 sought from child placing agencies and child caring institutions in
9 the annual review process. The department shall report to the
10 senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies and policy offices,
12 and the state budget director on or before January 15 of the
13 current fiscal year on the findings of the annual licensing review.

14 Sec. 533. (1) The department shall make payments to child
15 placing facilities for in-home and out-of-home care services and
16 adoption services within 30 days of receiving all necessary
17 documentation from those agencies.

18 (2) The department shall provide a report to the senate and
19 house appropriations subcommittees on the department budget, the
20 senate and house fiscal agencies, and the state budget director on
21 the status of the implementation and operation of this section by
22 February 15 of the current fiscal year.

23 Sec. 534. (1) The department shall provide to the senate and
24 house appropriations subcommittees on the department budget, the
25 senate and house fiscal agencies, the senate and house policy
26 offices, and the state budget office by November 1 of the current
27 fiscal year an implementation plan regarding the appropriation in

1 part 1 to implement the MISACWIS. The plan shall include, but not
2 be limited to, efforts to bring the system into compliance with the
3 Dwayne B. v Snyder modified settlement agreement and other federal
4 guidelines set forth by the United States Department of Health and
5 Human Services Administration for Children and Families.

6 (2) The department shall provide to the senate and house
7 appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, the senate and house policy offices, and
9 the state budget office by June 1 of the current fiscal year a
10 status report regarding the appropriation in part 1 to implement
11 the MISACWIS. The report shall provide details on the planning,
12 implementation, and operation of the system, including, but not
13 limited to, all of the following:

14 (a) Areas where implementation went as planned.

15 (b) The number of known issues.

16 (c) Any additional overtime or other staffing costs to address
17 known issues.

18 (d) Any contract revisions to address known issues.

19 (e) Other strategies undertaken to improve implementation.

20 (f) Progress developing cross-system trusted data exchanges
21 with MISACWIS.

22 (g) Progress moving away from a statewide/tribal automated
23 child welfare information system to a comprehensive child welfare
24 information system.

25 (h) Progress developing and implementing a program to monitor
26 data quality.

27 (i) Progress developing and implementing custom integrated

1 systems for private agencies and tribal governments.

2 Sec. 540. If a physician or psychiatrist who is providing
3 services to state or court wards placed in a residential facility
4 submits a formal request to the department to change the
5 psychotropic medication of a ward, the department shall, if the
6 ward is a state ward, make a determination on the proposed change
7 within 7 business days after the request or, if the ward is a
8 temporary court ward, seek parental consent within 7 business days
9 after the request. If parental consent is not provided within 7
10 business days, the department shall petition the court on the
11 eighth business day.

12 Sec. 546. (1) From the funds appropriated in part 1 for foster
13 care payments and from the child care fund, the department shall
14 pay providers of foster care services not less than a \$40.00
15 administrative rate. The department shall pay 100% of the
16 administrative rate. Payments under this subsection shall be made
17 not less than on a monthly basis.

18 (2) From the funds appropriated in part 1 for foster care
19 payments and from the child care fund, the department shall pay
20 providers of general independent living services not less than a
21 \$28.00 administrative rate.

22 (3) From the funds appropriated in part 1, the department
23 shall pay providers of independent living plus services statewide
24 per diem rates for staff-supported housing and host-home housing
25 based on proposals submitted in response to a solicitation for
26 pricing. The independent living plus program provides staff-
27 supported housing and services for foster youth ages 16 through 19

1 who, because of their individual needs and assessments, are not
2 initially appropriate for general independent living foster care.

3 (4) If required by the federal government to meet title IV-E
4 requirements, providers of foster care services shall submit
5 quarterly expenditure reports to the department to identify actual
6 costs of providing foster care services.

7 (5) From the funds appropriated in part 1, the department
8 shall provide an increase to each private provider of residential
9 services, if section 117a of the social welfare act, 1939 PA 280,
10 MCL 400.117a, is amended to eliminate the county match rate for the
11 additional rate provided in this section.

12 (6) On a quarterly basis, the department shall report the
13 monthly data on the number of all foster care cases administered by
14 the department and all foster care cases administered by private
15 providers.

16 Sec. 547. From the funds appropriated in part 1 for the
17 guardianship assistance program, the department shall pay a minimum
18 rate that is not less than the approved age-appropriate payment
19 rates for youth placed in family foster care.

20 Sec. 558. The department shall explore ways to maximize use of
21 training programs or courses provided through the child welfare
22 training institute accessible online and in service areas
23 throughout the state, provided the delivery is an appropriate
24 option for achieving specific learning objectives. These training
25 programs and courses shall be made available to employees of
26 private child placing agencies and child caring institutions.

27 Sec. 562. The department shall provide time and travel

1 reimbursements for foster parents who transport a foster child to
2 parent-child visitations. As part of the foster care parent
3 contract, the department shall provide written confirmation to
4 foster parents that states that the foster parents have the right
5 to request these reimbursements for all parent-child visitations.
6 The department shall provide these reimbursements within 60 days of
7 receiving a request for eligible reimbursements from a foster
8 parent.

9 Sec. 564. (1) The department shall develop a clear policy for
10 parent-child visitations. The local county offices, caseworkers,
11 and supervisors shall meet a 50% success rate, after accounting for
12 factors outside of the caseworker's control.

13 (2) Per the court-ordered number of required meetings between
14 caseworkers and parent, the caseworkers shall achieve a success
15 rate of 65%, after accounting for factors outside of the
16 caseworker's control.

17 (3) By March 1 of the current fiscal year, the department
18 shall provide to the senate and house appropriations subcommittees
19 on the department budget, the senate and house fiscal agencies, the
20 senate and house policy offices, and the state budget office a
21 report on the following:

22 (a) The percentage of success rate for parent-child
23 visitations and court-ordered required meetings between caseworkers
24 referenced in subsections (1) and (2) for the previous year.

25 (b) The barriers to achieve the success rates in subsections
26 (1) and (2) and how this information is tracked.

27 Sec. 567. (1) The caseworker or supervisor who is assigned to

1 a foster care case is responsible for completing a medical passport
2 for the cases assigned to him or her. If a child in foster care is
3 transferred to a new placement or returned to his or her parent's
4 or guardian's home, the medical passport and any school records in
5 the caseworkers' or supervisors' possession must be transferred
6 within 2 weeks from the date of placement or return to the home.

7 (2) The department shall submit to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, the senate and house policy offices, and
10 the state budget office by March 1 of the current fiscal year a
11 report on the items described in subsection (1), including the
12 following:

13 (a) The percentage of medical passports that were properly
14 filled out.

15 (b) From the total medical passports transferred, the
16 percentage that transferred within 2 weeks from the date of
17 placement or return to the home.

18 (c) From the total school records, the percentage that
19 transferred within 2 weeks from the date of placement or return to
20 the home.

21 (d) The implementation steps that have been taken to improve
22 the outcomes for the measures in subdivisions (a) and (b).

23 Sec. 568. (1) From the funds appropriated in part 1 for
24 adoption subsidies, the department shall pay a minimum adoption
25 subsidy rate that is not less than 95% of the rate that was or
26 would have been provided for the adoptee in family foster care at
27 the time of the adoption. This rate includes the determination of

1 care rate that was paid or would have been paid to the adoptive
2 parent for the adoptee in a family foster care placement, and this
3 amount shall be increased to reflect any increase in the standard
4 age appropriate foster care rate.

5 (2) "Determination of care rate" as described in this section
6 means a supplemental payment to the standard age appropriate foster
7 care rate that may be justified when extraordinary care or expense
8 is required. The supplemental payment is based on 1 or more of the
9 following case situations where additional care is required of the
10 foster care provider or adoptive parent or an additional expense
11 exists:

12 (a) Physically disabled children for whom the adoptive parent
13 must provide measurably greater supervision and care.

14 (b) Children with special psychological or psychiatric needs
15 that require extra time and measurably greater amounts of care and
16 attention by the adoptive parent.

17 (c) Children requiring special diets that are more expensive
18 than a normal diet and that require extra time and effort by the
19 adoptive parent to obtain or prepare.

20 (d) Children whose severe acting-out or antisocial behavior
21 requires a measurably greater amount of care and attention of the
22 adoptive parent.

23 (3) The department shall, on a separate form, allow an
24 adoptive parent to sign a certification that he or she rejects a
25 support subsidy.

26 (4) If this section conflicts with state statute enacted
27 subsequent to this act, the state statute controls.

1 Sec. 569. The department shall reimburse private child placing
2 agencies that complete adoptions at the rate according to the date
3 on which the petition for adoption and required support
4 documentation was accepted by the court and not according to the
5 date the court's order placing for adoption was entered.

6 Sec. 574. (1) From the funds appropriated in part 1 for foster
7 care payments, \$2,500,000.00 is allocated to support performance-
8 based contracts with child placing agencies to facilitate the
9 licensure of relative caregivers as foster parents. Agencies shall
10 receive \$2,300.00 for each facilitated licensure if completed
11 within 180 days after a child's placement or, if a waiver was
12 previously approved, 180 days from the application date. If the
13 facilitated licensure, or approved waiver, is completed after 180
14 days, the agency shall receive up to \$2,300.00. The agency
15 facilitating the licensure would retain the placement and continue
16 to provide case management services for at least 50% of the newly
17 licensed cases for which the placement was appropriate to the
18 agency. Up to 50% of the newly licensed cases would have direct
19 foster care services provided by the department.

20 (2) From the funds appropriated for foster care payments,
21 \$375,000.00 is allocated to support family incentive grants to
22 private and community-based foster care service providers to assist
23 with home improvements or payment for physical exams for applicants
24 needed by foster families to accommodate foster children.

25 Sec. 583. By February 1 of the current fiscal year, the
26 department shall provide to the senate and house appropriations
27 subcommittees on the department budget, the senate and house

1 standing committees on families and human services, the senate and
2 house fiscal agencies and policy offices, and the state budget
3 office a report that includes:

4 (a) The number and percentage of foster parents that dropped
5 out of the program in the previous fiscal year and the reasons the
6 foster parents left the program and how those figures compare to
7 prior fiscal years.

8 (b) The number and percentage of foster parents successfully
9 retained in the previous fiscal year and how those figures compare
10 to prior fiscal years.

11 Sec. 585. The department shall make available at least 1 pre-
12 service training class each month in which new caseworkers for
13 private foster care and adoption agencies can enroll.

14 Sec. 588. (1) Concurrently with public release, the department
15 shall transmit all reports from the court-appointed settlement
16 monitor, including, but not limited to, the needs assessment and
17 period outcome reporting, to the state budget office, the senate
18 and house appropriations subcommittees on the department budget,
19 the senate and house fiscal agencies, and the senate and house
20 policy offices, without revision.

21 (2) The department shall report quarterly to the state budget
22 office, the senate and house appropriations subcommittees on the
23 department budget, the senate and house fiscal agencies, and the
24 senate and house policy offices on the number of children enrolled
25 in the guardianship assistance and foster care - children with
26 serious emotional disturbance waiver programs.

27 Sec. 593. The department may allow residential service

1 providers for abuse and neglect cases to implement a staff ratio
2 during working hours of 1 staff to 5 children.

3 **PUBLIC ASSISTANCE**

4 Sec. 601. Whenever a client agrees to the release of his or
5 her name and address to the local housing authority, the department
6 shall request from the local housing authority information
7 regarding whether the housing unit for which vendoring has been
8 requested meets applicable local housing codes. Vendoring shall be
9 terminated for those units that the local authority indicates in
10 writing do not meet local housing codes until such time as the
11 local authority indicates in writing that local housing codes have
12 been met.

13 Sec. 602. The department shall establish a policy to conduct a
14 full evaluation of an individual's assistance needs if the
15 individual has applied for disability more than 1 time within a 1-
16 year period.

17 Sec. 603. By March 1 of the current fiscal year, the
18 department shall provide to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office a report on the steps taken to implement the action plan
22 developed by the Medicaid claim workgroup established in section
23 603 of article X of 2014 PA 252, and the department's ongoing
24 efforts to maximize Medicaid claims for foster children and
25 adjudicated youths.

26 Sec. 604. (1) The department shall operate a state disability

1 assistance program. Except as provided in subsection (3), persons
2 eligible for this program shall include needy citizens of the
3 United States or aliens exempted from the supplemental security
4 income citizenship requirement who are at least 18 years of age or
5 emancipated minors meeting 1 or more of the following requirements:

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

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

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

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

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

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

22 (g) A caretaker of a disabled person who meets the
23 requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

3 (3) Except for a person described in subsection (1)(c) or (d),
4 a person is not disabled for purposes of this section if his or her
5 drug addiction or alcoholism is a contributing factor material to
6 the determination of disability. "Material to the determination of
7 disability" means that, if the person stopped using drugs or
8 alcohol, his or her remaining physical or mental limitations would
9 not be disabling. If his or her remaining physical or mental
10 limitations would be disabling, then the drug addiction or
11 alcoholism is not material to the determination of disability and
12 the person may receive state disability assistance. Such a person
13 must actively participate in a substance abuse treatment program,
14 and the assistance must be paid to a third party or through vendor
15 payments. For purposes of this section, substance abuse treatment
16 includes receipt of inpatient or outpatient services or
17 participation in alcoholics anonymous or a similar program.

18 Sec. 605. The level of reimbursement provided to state
19 disability assistance recipients in licensed adult foster care
20 facilities shall be the same as the prevailing supplemental
21 security income rate under the personal care category.

22 Sec. 606. County department offices shall require each
23 recipient of family independence program and state disability
24 assistance who has applied with the social security administration
25 for supplemental security income to sign a contract to repay any
26 assistance rendered through the family independence program or
27 state disability assistance program upon receipt of retroactive

1 supplemental security income benefits.

2 Sec. 607. (1) The department's ability to satisfy
3 appropriation deductions in part 1 for state disability
4 assistance/supplemental security income recoveries and public
5 assistance recoupment revenues shall not be limited to recoveries
6 and accruals pertaining to state disability assistance, or family
7 independence assistance grant payments provided only in the current
8 fiscal year, but may include revenues collected during the current
9 year that are prior year related and not a part of the department's
10 accrued entries.

11 (2) The department may use supplemental security income
12 recoveries to satisfy the deduct in any line in which the revenues
13 are appropriated, regardless of the source from which the revenue
14 is recovered.

15 Sec. 608. Adult foster care facilities providing domiciliary
16 care or personal care to residents receiving supplemental security
17 income or homes for the aged serving residents receiving
18 supplemental security income shall not require those residents to
19 reimburse the home or facility for care at rates in excess of those
20 legislatively authorized. To the extent permitted by federal law,
21 adult foster care facilities and homes for the aged serving
22 residents receiving supplemental security income shall not be
23 prohibited from accepting third-party payments in addition to
24 supplemental security income provided that the payments are not for
25 food, clothing, shelter, or result in a reduction in the
26 recipient's supplemental security income payment.

27 Sec. 609. The state supplementation level under the

1 supplemental security income program for the personal care/adult
2 foster care and home for the aged categories shall not be reduced
3 during the current fiscal year. The legislature shall be notified
4 not less than 30 days before any proposed reduction in the state
5 supplementation level.

6 Sec. 610. (1) In developing good cause criteria for the state
7 emergency relief program, the department shall grant exemptions if
8 the emergency resulted from unexpected expenses related to
9 maintaining or securing employment.

10 (2) For purposes of determining housing affordability
11 eligibility for state emergency relief, a group is considered to
12 have sufficient income to meet ongoing housing expenses if their
13 total housing obligation does not exceed 75% of their total net
14 income.

15 (3) State emergency relief payments shall not be made to
16 individuals who have been found guilty of fraud in regard to
17 obtaining public assistance.

18 (4) State emergency relief payments shall not be made
19 available to persons who are out-of-state residents or illegal
20 immigrants.

21 (5) State emergency relief payments for rent assistance shall
22 be distributed directly to landlords and shall not be added to
23 Michigan bridge cards.

24 Sec. 611. The state supplementation level under the
25 supplemental security income program for the living independently
26 or living in the household of another categories shall not exceed
27 the minimum state supplementation level as required under federal

1 law or regulations.

2 Sec. 613. (1) The department shall provide reimbursements for
3 the final disposition of indigent persons. The reimbursements shall
4 include the following:

5 (a) The maximum allowable reimbursement for the final
6 disposition is \$800.00.

7 (b) The adult burial with services allowance is \$725.00.

8 (c) The adult burial without services allowance is \$490.00.

9 (d) The infant burial allowance is \$170.00.

10 (2) It is the intent of the legislature that this charge limit
11 reflect a total increase of \$5.00 per case in payments to funeral
12 directors for funeral goods and services over the payment rate in
13 place for the previous fiscal year. In addition, reimbursement for
14 a cremation permit fee of up to \$75.00 and for mileage at the
15 standard rate will also be made available for an eligible
16 cremation. The reimbursements under this section shall take into
17 consideration religious preferences that prohibit cremation.

18 Sec. 614. The department shall report to the senate and house
19 of representatives appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, and the senate and
21 house policy offices by January 15 of the current fiscal year on
22 the number and percentage of state disability assistance recipients
23 who were determined to be eligible for federal supplemental
24 security income benefits in the previous fiscal year.

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

1 not prohibit the department from entering into contracts with food
2 banks, emergency shelter providers, or other human services
3 agencies who may, as a normal part of doing business, provide food
4 or emergency shelter.

5 Sec. 616. The department shall require retailers that
6 participate in the electronic benefits transfer program to charge
7 no more than \$2.50 in fees for cash back as a condition of
8 participation.

9 Sec. 619. (1) Subject to subsection (2), the department shall
10 exempt from the denial of title IV-A assistance and food assistance
11 benefits under 21 USC 862a any individual who has been convicted of
12 a felony that included the possession, use, or distribution of a
13 controlled substance, after August 22, 1996, provided that the
14 individual is not in violation of his or her probation or parole
15 requirements. Benefits shall be provided to such individuals as
16 follows:

17 (a) A third-party payee or vendor shall be required for any
18 cash benefits provided.

19 (b) An authorized representative shall be required for food
20 assistance receipt.

21 (2) Subject to federal approval, an individual is not entitled
22 to the exemption in this section if the individual was convicted in
23 2 or more separate cases of a felony that included the possession,
24 use, or distribution of a controlled substance after August 22,
25 1996.

26 Sec. 620. (1) The department shall make a determination of
27 Medicaid eligibility not later than 90 days if disability is an

1 eligibility factor. For all other Medicaid applicants, including
2 patients of a nursing home, the department shall make a
3 determination of Medicaid eligibility within 45 days of
4 application.

5 (2) The department shall report on a quarterly basis to the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house standing committees on families and
8 human services, the senate and house fiscal agencies and policy
9 offices, and the state budget office on the average Medicaid
10 eligibility standard of promptness for each of the required
11 standards of promptness under subsection (1) and for medical review
12 team reviews achieved statewide and at each local office.

13 Sec. 625. From the funds appropriated in part 1 for SSI
14 advocacy legal services, the department may contract with the Legal
15 Services Association of Michigan to provide assistance to
16 individuals who have applied for or wish to apply for SSI or other
17 federal disability benefits. Up to \$500,000.00 shall be paid to the
18 Legal Services Association of Michigan for SSI advocacy legal
19 services. The Legal Services Association of Michigan shall provide
20 a list of new clients accepted to the department to verify that
21 services have been provided to department clients. The Legal
22 Services Association of Michigan and the department shall work
23 together to develop release forms to share information in
24 appropriate cases. The Legal Services Association of Michigan shall
25 provide quarterly reports indicating cases opened, cases closed,
26 level of services provided on closed cases, and case outcomes on
27 closed cases.

1 Sec. 630. From the funds appropriated in part 1 for family
2 independence program, the department shall conduct a suspicion-
3 based drug testing pilot program for the family independence
4 program according to sections 57y and 57z of the social welfare
5 act, 1939 PA 280, MCL 400.57y and 400.57z.

6 Sec. 642. The department shall allocate the full amount of
7 funds appropriated in part 1 for homeless programs to provide
8 services for homeless individuals and families, including, but not
9 limited to, third-party contracts for emergency shelter services.

10 Sec. 643. As a condition of receipt of federal TANF funds,
11 homeless shelters and human services agencies shall collaborate
12 with the department to obtain necessary TANF eligibility
13 information on families as soon as possible after admitting a
14 family to the homeless shelter. From the funds appropriated in part
15 1 for homeless programs, the department is authorized to make
16 allocations of TANF funds only to the agencies that report
17 necessary data to the department for the purpose of meeting TANF
18 eligibility reporting requirements. Homeless shelters or human
19 services agencies that do not report necessary data to the
20 department for the purpose of meeting TANF eligibility reporting
21 requirements will not receive reimbursements which exceed the per
22 diem amount they received in fiscal year 2000. The use of TANF
23 funds under this section should not be considered an ongoing
24 commitment of funding.

25 Sec. 645. An individual or family is considered homeless, for
26 purposes of eligibility for state emergency relief, if living
27 temporarily with others in order to escape domestic violence. For

1 purposes of this section, domestic violence is defined and verified
2 in the same manner as in the department's policies on good cause
3 for not cooperating with child support and paternity requirements.

4 Sec. 653. From the funds appropriated in part 1 for food
5 assistance, an individual who is the victim of domestic violence
6 and does not qualify for any other exemption may be exempt from the
7 3-month in 36-month limit on receiving food assistance under 7 USC
8 2015. This exemption can be extended an additional 3 months upon
9 demonstration of continuing need.

10 Sec. 654. The department shall notify recipients of food
11 assistance program benefits that their benefits can be spent with
12 their bridge cards at many farmers' markets in the state. The
13 department shall also notify recipients about the Double Up Food
14 Bucks program that is administered by the Fair Food Network.
15 Recipients shall receive information about the Double Up Food Bucks
16 program, including information that when the recipient spends
17 \$20.00 at participating farmers' markets through the program, the
18 recipient can receive an additional \$20.00 to buy Michigan produce.

19 Sec. 655. Within 14 days after the spending plan for low-
20 income home energy assistance program is approved by the state
21 budget office, the department shall provide the spending plan,
22 including itemized projected expenditures, to the chairpersons of
23 the senate and house appropriations subcommittees on the department
24 budget, the senate and house fiscal agencies, the senate and house
25 policy offices, and the state budget office.

26 Sec. 656. From the funds appropriated in part 1 for the low-
27 income home energy assistance program, up to \$3,151,000.00 of

1 federal funding shall be allocated to provide an additional \$21.00
2 payment to certain food assistance program cases to enable
3 additional food assistance program cases to receive expanded food
4 assistance benefits through the program commonly known as the Heat
5 and Eat program.

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

15 Sec. 669. The department shall allocate \$7,650,000.00 for the
16 annual clothing allowance. The allowance shall be granted to all
17 eligible children in a family independence program group.

18 Sec. 672. (1) The department's office of inspector general
19 shall report to the senate and house of representatives
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, and the senate and house policy offices
22 by February 15 of the current fiscal year on department efforts to
23 reduce inappropriate use of Michigan bridge cards. The department
24 shall provide information on the number of recipients of services
25 who used their electronic benefit transfer card inappropriately and
26 the current status of each case, the number of recipients whose
27 benefits were revoked, whether permanently or temporarily, as a

1 result of inappropriate use, and the number of retailers that were
2 fined or removed from the electronic benefit transfer program for
3 permitting inappropriate use of the cards.

4 (2) As used in this section, "inappropriate use" means not
5 used to meet a family's ongoing basic needs, including food,
6 clothing, shelter, utilities, household goods, personal care items,
7 and general incidentals.

8 Sec. 677. (1) The department shall establish a state goal for
9 the percentage of family independence program cases involved in
10 employment activities. The percentage established shall not be less
11 than 50%. The goal for long-term employment shall be 15% of cases
12 for 6 months or more.

13 (2) On a quarterly basis, the department shall report to the
14 senate and house appropriations subcommittees on the department
15 budget, the senate and house fiscal agencies and policy offices,
16 and the state budget director on the number of cases referred to
17 Partnership. Accountability. Training. Hope. (PATH), the current
18 percentage of family independence program cases involved in PATH
19 employment activities, an estimate of the current percentage of
20 family independence program cases that meet federal work
21 participation requirements on the whole, and an estimate of the
22 current percentage of the family independence program cases that
23 meet federal work participation requirements for those cases
24 referred to PATH.

25 (3) The department shall submit to the senate and house
26 appropriations subcommittees on the department budget, the senate
27 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office a quarterly report that includes all of the
2 following:

3 (a) The number and percentage of nonexempt family independence
4 program recipients who are employed.

5 (b) The average and range of wages of employed family
6 independence program recipients.

7 (c) The number and percentage of employed family independence
8 program recipients who remain employed for 6 months or more.

9 Sec. 686. (1) The department shall ensure that program policy
10 requires caseworkers to confirm that individuals presenting
11 personal identification issued by another state seeking assistance
12 through the family independence program, food assistance program,
13 state disability assistance program, or medical assistance program
14 are not receiving benefits from any other state.

15 (2) The department shall require caseworkers to confirm the
16 address provided by any individual seeking family independence
17 program benefits or state disability assistance benefits.

18 (3) The department shall prohibit individuals with property
19 assets assessed at a value higher than \$200,000.00 from accessing
20 assistance through department-administered programs, unless such a
21 prohibition would violate federal rules and guidelines.

22 (4) The department shall require caseworkers to obtain an up-
23 to-date telephone number during the eligibility determination or
24 redetermination process for individuals seeking medical assistance
25 benefits.

26 Sec. 687. (1) The department shall, on a quarterly basis by
27 February 1, May 1, August 1, and November 1, compile and make

1 available on its website all of the following information about the
2 family independence program, state disability assistance, the food
3 assistance program, Medicaid, and state emergency relief:

4 (a) The number of applications received.

5 (b) The number of applications approved.

6 (c) The number of applications denied.

7 (d) The number of applications pending and neither approved
8 nor denied.

9 (e) The number of cases opened.

10 (f) The number of cases closed.

11 (g) The number of cases at the beginning of the quarter and
12 the number of cases at the end of the quarter.

13 (2) The information provided under subsection (1) shall be
14 compiled and made available for the state as a whole and for each
15 county and reported separately for each program listed in
16 subsection (1).

17 (3) The department shall, on a quarterly basis by February 1,
18 May 1, August 1, and November 1, compile and make available on its
19 website the family independence program information listed as
20 follows:

21 (a) The number of new applicants who successfully met the
22 requirements of the 21-day assessment period for PATH.

23 (b) The number of new applicants who did not meet the
24 requirements of the 21-day assessment period for PATH.

25 (c) The number of cases sanctioned because of the school
26 truancy policy.

27 (d) The number of cases closed because of the 48-month and 60-

1 month lifetime limits.

2 (e) The number of first-, second-, and third-time sanctions.

3 (f) The number of children ages 0-5 living in FIP-sanctioned
4 households.

5 (4) The department shall notify the state budget office, the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house fiscal agencies, and the senate and
8 house policy offices when the reports required in this section are
9 made available on the department's website.

10 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE SERVICES**

11 Sec. 701. Unless required from changes to federal or state law
12 or at the request of a provider, the department shall not alter the
13 terms of any signed contract with a private residential facility
14 serving children under state or court supervision without written
15 consent from a representative of the private residential facility.

16 Sec. 706. Counties shall be subject to 50% chargeback for the
17 use of alternative regional detention services, if those detention
18 services do not fall under the basic provision of section 117e of
19 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
20 operates those detention services programs primarily with
21 professional rather than volunteer staff.

22 Sec. 707. In order to be reimbursed for child care fund
23 expenditures, counties are required to submit department-developed
24 reports to enable the department to document potential federally
25 claimable expenditures. This requirement is in accordance with the
26 reporting requirements specified in section 117a(7) of the social

1 welfare act, 1939 PA 280, MCL 400.117a.

2 Sec. 708. (1) As a condition of receiving funds appropriated
3 in part 1 for the child care fund line item, by December 15 of the
4 current fiscal year, counties shall have an approved service
5 spending plan for the current fiscal year. Counties must submit the
6 service spending plan to the department by October 1 of the current
7 fiscal year for approval. The department shall approve within 30
8 calendar days after receipt a properly completed service plan that
9 complies with the requirements of the social welfare act, 1939 PA
10 280, MCL 400.1 to 400.119b, and shall notify a county within 30
11 days after approval that its service plan was approved.

12 (2) If 1 or more Michigan counties do not submit a service
13 spending plan to the department by October 1 of the current fiscal
14 year, the department shall submit a report to the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, and the house and senate policy offices
17 by February 15 of the current fiscal year on the number of counties
18 that fail to submit a service spending plan by October 1 and the
19 number of service spending plans not approved by December 15.

20 Sec. 709. (1) The department's master contract for juvenile
21 justice residential foster care services shall prohibit contractors
22 from denying a referral for placement of a youth, or terminating a
23 youth's placement, if the youth's assessed treatment needs are in
24 alignment with the facility's residential program type, as
25 identified by the court or the department. In addition, the master
26 contract shall require that youth placed in juvenile justice
27 residential foster care facilities must have regularly scheduled

1 treatment sessions with a licensed psychologist or psychiatrist, or
2 both, and access to the licensed psychologist or psychiatrist as
3 needed.

4 (2) The rates established for private residential juvenile
5 justice facilities that were in effect on October 1, 2015 remain in
6 effect for the current fiscal year.

7 (3) The department shall submit a report by December 31 of the
8 current fiscal year to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the senate and house policy offices on the current
11 placement and status of the youth transferred from the W.J. Maxey
12 Training School during the previous and current fiscal year as a
13 result of the closure.

14 Sec. 711. Unless provided in the previous fiscal year, the
15 department shall submit an implementation plan based on the report
16 recommendations provided in the behavioral health study of juvenile
17 justice facilities operated or contracted for by the state that was
18 conducted in a previous fiscal year to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies and policy offices, and the state budget
21 director.

22 **FIELD OPERATIONS AND SUPPORT SERVICES**

23 Sec. 801. (1) Funds appropriated in part 1 for independent
24 living shall be used to support centers for independent living in
25 delivering mandated independent living core services in compliance
26 with federal rules and regulations for the centers, by existing

1 centers for independent living to serve underserved areas, and for
2 projects to build the capacity of centers for independent living to
3 deliver independent living services. Applications for the funds
4 shall be reviewed in accordance with criteria and procedures
5 established by the department. The funds appropriated in part 1 may
6 be used to leverage federal vocational rehabilitation innovation
7 and expansion funds consistent with 34 CFR 361.35 up to
8 \$5,543,000.00, if available. If the possibility of matching federal
9 funds exists, the centers for independent living network will
10 negotiate a mutually beneficial contractual arrangement with
11 Michigan rehabilitation services. Funds shall be used in a manner
12 consistent with the state plan for independent living. Services
13 provided should assist people with disabilities to move toward
14 self-sufficiency, including support for accessing transportation
15 and health care, obtaining employment, community living, nursing
16 home transition, information and referral services, education,
17 youth transition services, veterans, and stigma reduction
18 activities and community education. This includes the independent
19 living guide project that specifically focuses on economic self-
20 sufficiency.

21 (2) The Michigan centers for independent living shall provide
22 a report by March 1 of the current fiscal year to the house and
23 senate appropriations subcommittees on the department budget, the
24 house and senate fiscal agencies, the house and senate policy
25 offices, and the state budget office on direct customer and system
26 outcomes and performance measures.

27 Sec. 802. The Michigan rehabilitation services shall work

1 collaboratively with the bureau of services for blind persons,
2 service organizations, and government entities to identify
3 qualified match dollars to maximize use of available federal
4 vocational rehabilitation funds.

5 Sec. 803. The department shall provide an annual report by
6 February 1 to the house and senate appropriations subcommittees on
7 the department budget, the house and senate fiscal agencies, and
8 house and senate policy offices on the efforts taken to improve the
9 Michigan rehabilitation services. The report shall include all of
10 the following items:

11 (a) Reductions and changes in administration costs and
12 staffing.

13 (b) Service delivery plans and implementation steps achieved.

14 (c) Reorganization plans and implementation steps achieved.

15 (d) Plans to integrate Michigan rehabilitative services
16 programs into other services provided by the department.

17 (e) Quarterly expenditures by major spending category.

18 (f) Employment and job retention rates from both Michigan
19 rehabilitation services and its nonprofit partners.

20 (g) Success rate of each district in achieving the program
21 goals.

22 Sec. 805. It is the intent of the legislature that Michigan
23 rehabilitation services shall not implement an order of selection
24 for vocational and rehabilitative services. If the department is at
25 risk of entering into an order of selection for services, the
26 department shall notify the chairs of the senate and house
27 subcommittees on the department budget and the senate and house

1 fiscal agencies and policy offices within 2 weeks of receiving
2 notification.

3 Sec. 806. From the funds appropriated in part 1 for Michigan
4 rehabilitation services, the department shall allocate
5 \$6,100,300.00, including federal matching funds, to service
6 authorizations with community-based rehabilitation organizations
7 for job development and other community employment-related support
8 services.

9 Sec. 807. From the funds appropriated in part 1 for Elder Law
10 of Michigan MiCAFE contract, the department shall allocate not less
11 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
12 state's elderly population in participating in the food assistance
13 program. Of the \$350,000.00 allocated under this section, the
14 department shall use \$175,000.00, which are general fund/general
15 purpose funds, as state matching funds for not less than
16 \$175,000.00 in United States Department of Agriculture funding to
17 provide outreach program activities, such as eligibility screening
18 and information services, as part of a statewide food assistance
19 hotline.

20 Sec. 825. From the funds appropriated in part 1, the
21 department shall provide individuals not more than \$500.00 for
22 vehicle repairs, including any repairs done in the previous 12
23 months. However, the department may in its discretion pay for
24 repairs up to \$900.00. Payments under this section shall include
25 the combined total of payments made by the department and work
26 participation program.

27 Sec. 850. (1) The department shall maintain out-stationed

1 eligibility specialists in community-based organizations, community
2 mental health agencies, nursing homes, adult placement and
3 independent living settings, federally qualified health centers,
4 and hospitals unless a community-based organization, community
5 mental health agency, nursing home, adult placement and independent
6 living setting, federally qualified health centers, or hospital
7 requests that the program be discontinued at its facility.

8 (2) From the funds appropriated in part 1 for donated funds
9 positions, the department shall enter into a contract with agencies
10 that are able and eligible under federal law to provide the
11 required matching funds for federal funding, as determined by
12 federal statute and regulations.

13 (3) A contract for a donated funds position must include, but
14 not be limited to, the following performance metrics:

15 (a) Meeting a standard of promptness for processing
16 applications for Medicaid and other public assistance programs
17 under state law.

18 (b) Meeting required standards for error rates in determining
19 programmatic eligibility as determined by the department.

20 (4) The department shall only fill additional donated funds
21 positions after a new contract has been signed. That position shall
22 also be abolished when the contract expires or is terminated.

23 (5) The department shall classify as limited-term FTEs any new
24 employees who are hired to fulfill the donated funds position
25 contracts or are hired to fill any vacancies from employees who
26 transferred to a donated funds position.

1 **BEHAVIORAL HEALTH SERVICES**

2 Sec. 901. Funds appropriated in part 1 are intended to support
3 a system of comprehensive community mental health services under
4 the full authority and responsibility of local CMHSPs or PIHPs in
5 accordance with the mental health code, 1974 PA 258, MCL 330.1001
6 to 330.2106, the Medicaid provider manual, federal Medicaid
7 waivers, and all other applicable federal and state laws.

8 Sec. 902. (1) From funds appropriated in part 1, final
9 authorizations to CMHSPs or PIHPs shall be made upon the execution
10 of contracts between the department and CMHSPs or PIHPs. The
11 contracts shall contain an approved plan and budget as well as
12 policies and procedures governing the obligations and
13 responsibilities of both parties to the contracts. Each contract
14 with a CMHSP or PIHP that the department is authorized to enter
15 into under this subsection shall include a provision that the
16 contract is not valid unless the total dollar obligation for all of
17 the contracts between the department and the CMHSPs or PIHPs
18 entered into under this subsection for the current fiscal year does
19 not exceed the amount of money appropriated in part 1 for the
20 contracts authorized under this subsection.

21 (2) The department shall immediately report to the senate and
22 house appropriations subcommittees on the department budget, the
23 senate and house fiscal agencies, and the state budget director if
24 either of the following occurs:

25 (a) Any new contracts with CMHSPs or PIHPs that would affect
26 rates or expenditures are enacted.

27 (b) Any amendments to contracts with CMHSPs or PIHPs that

1 would affect rates or expenditures are enacted.

2 (3) The report required by subsection (2) shall include
3 information about the changes and their effects on rates and
4 expenditures.

5 Sec. 904. (1) Not later than May 31 of the current fiscal
6 year, the department shall provide a report on the CMHSPs, PIHPs,
7 regional entities designated by the department as PIHPs, and
8 managing entities for substance use disorders to the members of the
9 house and senate appropriations subcommittees on the department
10 budget, the house and senate fiscal agencies, and the state budget
11 director that includes the information required by this section.

12 (2) The report shall contain information for each CMHSP, PIHP,
13 regional entity designated by the department as a PIHP, and
14 managing entity for substance use disorders and a statewide
15 summary, each of which shall include at least the following
16 information:

17 (a) A demographic description of service recipients which,
18 minimally, shall include reimbursement eligibility, client
19 population, age, ethnicity, housing arrangements, and diagnosis.

20 (b) Per capita expenditures in total and by client population
21 group and cultural and ethnic groups of the services area,
22 including the deaf and hard of hearing population.

23 (c) Financial information that, minimally, includes a
24 description of funding authorized; expenditures by diagnosis group,
25 service category, and reimbursement eligibility; and cost
26 information by Medicaid, Healthy Michigan plan, state-appropriated
27 non-Medicaid mental health services, local funding, and other fund

1 sources, including administration and funds specified for all
2 outside contracts for services and products. Financial information
3 must include the amount of funding, from each fund source, used to
4 cover clinical services and supports. Service category includes all
5 department-approved services.

6 (d) Data describing service outcomes that include, but are not
7 limited to, an evaluation of consumer satisfaction, consumer
8 choice, and quality of life concerns including, but not limited to,
9 housing and employment.

10 (e) Information about access to community mental health
11 services programs that includes, but is not limited to, the
12 following:

13 (i) The number of people receiving requested services.

14 (ii) The number of people who requested services but did not
15 receive services.

16 (f) The number of second opinions requested under the code and
17 the determination of any appeals.

18 (g) Lapses and carryforwards during the immediately preceding
19 fiscal year for CMHSPs, PIHPs, regional entities designated by the
20 department as PIHPs, and managing entities for substance use
21 disorders.

22 (h) Performance indicator information required to be submitted
23 to the department in the contracts with CMHSPs, PIHPs, regional
24 entities designated by the department as PIHPs, and managing
25 entities for substance use disorders.

26 (i) Administrative expenditures of each CMHSP, PIHP, regional
27 entity designated by the department as a PIHP, and managing entity

1 for substance use disorders that includes a breakout of the salary,
2 benefits, and pension of each executive level staff and shall
3 include the director, chief executive, and chief operating officers
4 and other members identified as executive staff.

5 (j) Substance use disorder prevention, education, and
6 treatment program expenditures stratified by department-designated
7 community mental health entity, by central diagnosis and referral
8 agency, by fund source, by population served, and by service type.

9 (k) Substance use disorder prevention, education, and
10 treatment program expenditures per state client, with data on the
11 distribution of expenditures reported using a histogram approach.

12 (l) Substance use disorder prevention, education, and
13 treatment program number of services provided by central diagnosis
14 and referral agency and by service type. Additionally, data on
15 length of stay, referral source, and participation in other state
16 programs.

17 (m) Substance use disorder prevention, education, and
18 treatment program collections from other first- or third-party
19 payers, private donations, or other state or local programs, by
20 department-designated community mental health entity, by population
21 served, and by service type.

22 (3) The department shall include data reporting requirements
23 listed in subsection (2) in the annual contract with each
24 individual CMHSP, PIHP, regional entity designated by the
25 department as a PIHP, and managing entity for substance use
26 disorders.

27 (4) The department shall take all reasonable actions to ensure

1 that the data required are complete and consistent among all
2 CMHSPs, PIHPs, regional entities designated by the department as
3 PIHPs, and managing entities for substance use disorders.

4 Sec. 906. (1) The funds appropriated in part 1 for the state
5 disability assistance substance use disorder services program shall
6 be used to support per diem room and board payments in substance
7 use disorder residential facilities. Eligibility of clients for the
8 state disability assistance substance use disorder services program
9 shall include needy persons 18 years of age or older, or
10 emancipated minors, who reside in a substance use disorder
11 treatment center.

12 (2) The department shall reimburse all licensed substance use
13 disorder programs eligible to participate in the program at a rate
14 equivalent to that paid by the department to adult foster care
15 providers. Programs accredited by department-approved accrediting
16 organizations shall be reimbursed at the personal care rate, while
17 all other eligible programs shall be reimbursed at the domiciliary
18 care rate.

19 Sec. 907. (1) The amount appropriated in part 1 for substance
20 use disorder prevention, education, and treatment grants shall be
21 expended to coordinate care and services provided to individuals
22 with severe and persistent mental illness and substance use
23 disorder diagnoses.

24 (2) The department shall approve managing entity fee schedules
25 for providing substance use disorder services and charge
26 participants in accordance with their ability to pay.

27 (3) The managing entity shall continue current efforts to

1 collaborate on the delivery of services to those clients with
2 mental illness and substance use disorder diagnoses with the goal
3 of providing services in an administratively efficient manner.

4 Sec. 910. The department shall assure that substance use
5 disorder treatment is provided to applicants and recipients of
6 public assistance through the department who are required to obtain
7 substance use disorder treatment as a condition of eligibility for
8 public assistance.

9 Sec. 911. (1) The department shall ensure that each contract
10 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
11 programs to encourage diversion of individuals with serious mental
12 illness, serious emotional disturbance, or developmental disability
13 from possible jail incarceration when appropriate.

14 (2) Each CMHSP or PIHP shall have jail diversion services and
15 shall work toward establishing working relationships with
16 representative staff of local law enforcement agencies, including
17 county prosecutors' offices, county sheriffs' offices, county
18 jails, municipal police agencies, municipal detention facilities,
19 and the courts. Written interagency agreements describing what
20 services each participating agency is prepared to commit to the
21 local jail diversion effort and the procedures to be used by local
22 law enforcement agencies to access mental health jail diversion
23 services are strongly encouraged.

24 Sec. 912. The department shall contract directly with the
25 Salvation Army Harbor Light program to provide non-Medicaid
26 substance use disorder services.

27 Sec. 918. On or before the twenty-fifth of each month, the

1 department shall report to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, and the state budget director on the amount of funding
4 paid to PIHPs to support the Medicaid managed mental health care
5 program in the preceding month. The information shall include the
6 total paid to each PIHP, per capita rate paid for each eligibility
7 group for each PIHP, and number of cases in each eligibility group
8 for each PIHP, and year-to-date summary of eligibles and
9 expenditures for the Medicaid managed mental health care program.

10 Sec. 920. (1) As part of the Medicaid rate-setting process for
11 behavioral health services, the department shall work with PIHP
12 network providers and actuaries to include any state minimum wage
13 increases that directly impact staff who provide Medicaid-funded
14 community living supports, personal care services, respite
15 services, skill-building services, and other similar supports and
16 services as part of the Medicaid rate.

17 (2) It is the intent of the legislature that any increased
18 Medicaid rate related to state minimum wage increases shall also be
19 distributed to direct care employees.

20 Sec. 928. Each PIHP shall provide, from internal resources,
21 local funds to be used as a part of the state match required under
22 the Medicaid program in order to increase capitation rates for
23 PIHPs. These funds shall not include either state funds received by
24 a CMHSP for services provided to non-Medicaid recipients or the
25 state matching portion of the Medicaid capitation payments made to
26 a PIHP.

27 Sec. 935. A county required under the provisions of the mental

1 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
2 matching funds to a CMHSP for mental health services rendered to
3 residents in its jurisdiction shall pay the matching funds in equal
4 installments on not less than a quarterly basis throughout the
5 fiscal year, with the first payment being made by October 1 of the
6 current fiscal year.

7 Sec. 958. Medicaid services shall include treatment for autism
8 spectrum disorders as defined in the federally approved Medicaid
9 state plan. These services may be coordinated with the Medicaid
10 health plans and the Michigan Association of Health Plans.

11 Sec. 960. (1) From the funds appropriated in part 1 for
12 university autism programs, the department shall continue a grant
13 process for autism programs. These grants are intended to increase
14 the number of applied behavioral analysts, increase the number of
15 autism diagnostic services provided, or increase employment of
16 individuals who are diagnosed with autism spectrum disorder.

17 (2) As a condition of accepting the grants described in
18 subsection (1), each university shall track and report back to the
19 department where the individuals who have completed the applied
20 behavioral analysis training are initially employed and the
21 location of the initial employment.

22 (3) Outcomes and performance measures related to this
23 initiative include, but are not limited to, the following:

24 (a) An increase in applied behavioral analysts certified from
25 university autism programs.

26 (b) The number of autism diagnostic services provided.

27 (c) The employment rate of employment program participants.

1 (d) The employment rate of applied behavioral analysts trained
2 through the university autism programs.

3 Sec. 994. (1) Contingent upon federal approval, if a CMHSP,
4 PIHP, or subcontracting provider agency is reviewed and accredited
5 by a national accrediting entity for behavioral health care
6 services, the department, by April 1 of the current fiscal year,
7 shall consider that CMHSP, PIHP, or subcontracting provider agency
8 in compliance with state program review and audit requirements that
9 are addressed and reviewed by that national accrediting entity.

10 (2) By June 1 of the current fiscal year, the department shall
11 report to the house and senate appropriations subcommittees on the
12 department budget, the house and senate fiscal agencies, and the
13 state budget office all of the following:

14 (a) A list of each CMHSP, PIHP, and subcontracting provider
15 agency that is considered in compliance with state program review
16 and audit requirements under subsection (1).

17 (b) For each CMHSP, PIHP, or subcontracting provider agency
18 described in subdivision (a), all of the following:

19 (i) The state program review and audit requirements that the
20 CMHSP, PIHP, or subcontracting provider agency is considered in
21 compliance with.

22 (ii) The national accrediting entity that reviewed and
23 accredited the CMHSP, PIHP, or subcontracting provider agency.

24 (3) The department shall continue to comply with state and
25 federal law and shall not initiate an action that negatively
26 impacts beneficiary safety.

27 (4) As used in this section, "national accrediting entity"

1 means the Joint Commission, formerly known as the Joint Commission
2 on Accreditation of Healthcare Organizations, the Commission on
3 Accreditation of Rehabilitation Facilities, the Council on
4 Accreditation, the URAC, formerly known as the Utilization Review
5 Accreditation Commission, the National Committee for Quality
6 Assurance, or other appropriate entity, as approved by the
7 department.

8 Sec. 995. From the funds appropriated in part 1 for behavioral
9 health program administration, \$4,350,000.00 is intended to address
10 the recommendations of the mental health diversion council.

11 Sec. 997. The population data used in determining the
12 distribution of substance use disorder block grant funds shall be
13 from the most recent federal census.

14 Sec. 998. For distribution of state general funds to CMHSPs,
15 if the department decides to use census data, the department shall
16 use the most recent federal decennial census data available.

17 Sec. 1003. The department shall notify the Michigan
18 Association of Community Mental Health Boards when developing
19 policies and procedures that will impact PIHPs or CMHSPs.

20 Sec. 1004. The department shall report on the implementation
21 of recommendations to achieve more uniformity in capitation
22 payments made to the PIHPs to the senate and house appropriations
23 subcommittees on the department budget, the senate and house fiscal
24 agencies, and the state budget director by March 1 of the current
25 fiscal year.

26 Sec. 1005. For the purposes of special projects involving
27 high-need children or adults, including the not guilty by reason of

1 insanity population, the department may contract directly with
2 providers of services to these identified populations.

3 Sec. 1007. (1) From the funds appropriated in part 1 for
4 behavioral health program administration, the department shall
5 maintain a psychiatric residential treatment facility and
6 children's behavioral action team. These services will augment the
7 continuum of behavioral health services for high-need youth and
8 provide additional continuity of care and transition into
9 supportive community-based services.

10 (2) Outcomes and performance measures for this initiative
11 include, but are not limited to, the following:

12 (a) The rate of rehospitalization for youth served through the
13 program at 30 and 180 days.

14 (b) Measured change in the Child and Adolescent Functional
15 Assessment Scale for children served through the program.

16 Sec. 1008. The PIHP shall do all of the following:

17 (a) Work to reduce administration costs by ensuring that PIHP
18 responsible functions are efficient to allow optimal transition of
19 dollars to direct services. This process must include limiting
20 duplicate layers of administration and minimizing PIHP-delegated
21 services that may result in higher costs or inconsistent service
22 delivery, or both.

23 (b) Take an active role in managing mental health care by
24 ensuring consistent and high-quality service delivery throughout
25 its network and promote a conflict-free care management
26 environment.

27 (c) Ensure that direct service rate variances are related to

1 the level of need or other quantifiable measures to ensure that the
2 most money possible reaches direct services.

3 (d) Whenever possible, promote fair and adequate direct care
4 reimbursement, including fair wages for direct service workers.

5 Sec. 1009. The department shall provide a progress report on
6 the implementation of recommendations from work with PIHP network
7 providers to analyze the workforce challenges of recruitment and
8 retention of staff who provide Medicaid-funded community living
9 supports, personal care services, respite services, skill building
10 services, and other similar supports and services by May 1 of the
11 current fiscal year to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, and the state budget director.

14 Sec. 1010. From the funds appropriated in part 1 for
15 behavioral health program administration, \$2,000,000.00 shall be
16 allocated to address the implementation of court-ordered assisted
17 outpatient treatment as provided under chapter 4 of the mental
18 health code, 1974 PA 258, MCL 330.1400 to 330.1491.

19 Sec. 1011. It is the intent of the legislature that any funds
20 that lapse from the funds appropriated in part 1 for Medicaid
21 mental health services shall be redistributed to individual CMHSPs
22 based on the community mental health non-Medicaid services
23 distribution formula in effect during the current fiscal year. By
24 April 1 of the current fiscal year, the department shall report to
25 the house and senate appropriations subcommittees on the department
26 budget, the house and senate fiscal agencies, and the state budget
27 office on the lapse by PIHP from the previous fiscal year and the

1 projected lapse by PIHP in the current fiscal year.

2 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

3 Sec. 1051. The department shall continue a revenue recapture
4 project to generate additional revenues from third parties related
5 to cases that have been closed or are inactive. A portion of
6 revenues collected through project efforts may be used for
7 departmental costs and contractual fees associated with these
8 retroactive collections and to improve ongoing departmental
9 reimbursement management functions.

10 Sec. 1052. The purpose of gifts and bequests for patient
11 living and treatment environments is to use additional private
12 funds to provide specific enhancements for individuals residing at
13 state-operated facilities. Use of the gifts and bequests shall be
14 consistent with the stipulation of the donor. The expected
15 completion date for the use of gifts and bequests donations is
16 within 3 years unless otherwise stipulated by the donor.

17 Sec. 1055. (1) The department shall not implement any closures
18 or consolidations of state hospitals, centers, or agencies until
19 CMHSPs or PIHPs have programs and services in place for those
20 individuals currently in those facilities and a plan for service
21 provision for those individuals who would have been admitted to
22 those facilities.

23 (2) All closures or consolidations are dependent upon adequate
24 department-approved CMHSP and PIHP plans that include a discharge
25 and aftercare plan for each individual currently in the facility. A
26 discharge and aftercare plan shall address the individual's housing

1 needs. A homeless shelter or similar temporary shelter arrangements
2 are inadequate to meet the individual's housing needs.

3 (3) Four months after the certification of closure required in
4 section 19(6) of the state employees' retirement act, 1943 PA 240,
5 MCL 38.19, the department shall provide a closure plan to the house
6 and senate appropriations subcommittees on the department budget
7 and the state budget director.

8 (4) Upon the closure of state-run operations and after
9 transitional costs have been paid, the remaining balances of funds
10 appropriated for that operation shall be transferred to CMHSPs or
11 PIHPs responsible for providing services for individuals previously
12 served by the operations.

13 Sec. 1056. The department may collect revenue for patient
14 reimbursement from first- and third-party payers, including
15 Medicaid and local county CMHSP payers, to cover the cost of
16 placement in state hospitals and centers. The department is
17 authorized to adjust financing sources for patient reimbursement
18 based on actual revenues earned. If the revenue collected exceeds
19 current year expenditures, the revenue may be carried forward with
20 approval of the state budget director. The revenue carried forward
21 shall be used as a first source of funds in the subsequent year.

22 Sec. 1057. The department shall work with the department of
23 technology, management, and budget to secure an appraisal of the
24 Hawthorn center psychiatric hospital facility for children and
25 adolescents and develop a proposal for possible replacement of the
26 facility at the same location or at a new location.

27 Sec. 1058. Effective October 1 of the current fiscal year, the

1 department, in consultation with the department of technology,
2 management, and budget, may maintain a bid process to identify 1 or
3 more private contractors to provide food service and custodial
4 services for the administrative areas at any state hospital
5 identified by the department as capable of generating savings
6 through the outsourcing of such services.

7 Sec. 1059. (1) From the increased funds appropriated in part 1
8 for center for forensic psychiatry, the department shall open an
9 additional wing at the center for forensic psychiatry in the
10 current fiscal year to provide additional capacity for specialized
11 services to criminal defendants who are adjudicated as incompetent
12 to stand trial or not guilty by reason of insanity.

13 (2) The department shall identify specific outcomes and
14 performance measures for this initiative, including, but not
15 limited to, the following:

16 (a) The average wait time for persons ruled incompetent to
17 stand trial before admission to the center for forensic psychiatry.

18 (b) The average wait time for persons ruled incompetent to
19 stand trial before admission to other state-operated psychiatric
20 facilities.

21 (c) The number of persons waiting to receive services at the
22 center for forensic psychiatry.

23 (d) The number of persons waiting to receive services at other
24 state-operated hospitals and centers.

25 **HEALTH POLICY**

26 Sec. 1140. From the funds appropriated in part 1 for primary

1 care services, \$250,000.00 shall be allocated to free health
2 clinics operating in the state. The department shall distribute the
3 funds equally to each free health clinic. For the purpose of this
4 appropriation, "free health clinics" means nonprofit organizations
5 that use volunteer health professionals to provide care to
6 uninsured individuals.

7 Sec. 1142. The department shall continue to seek means to
8 increase retention of Michigan medical school students for
9 completion of their primary care residency requirements within this
10 state and ultimately, for some period of time, to remain in this
11 state and serve as primary care physicians. The department is
12 encouraged to work with Michigan institutions of higher education.

13 Sec. 1143. The department may award health innovation grants
14 to address emerging issues and encourage cutting edge advances in
15 health care including strategic partners in both the public and
16 private sectors.

17 Sec. 1144. (1) From the funds appropriated in part 1 for
18 health policy administration, the department shall allocate the
19 federal state innovation model grant funding that supports
20 implementation of the health delivery system innovations detailed
21 in this state's "Reinventing Michigan's Health Care System:
22 Blueprint for Health Innovation" document. This initiative will
23 test new payment methodologies, support improved population health
24 outcomes, and support improved infrastructure for technology and
25 data sharing and reporting. The funds will be used to provide
26 financial support directly to regions participating in the model
27 test and to support statewide stakeholder guidance and technical

1 support.

2 (2) Outcomes and performance measures for the initiative under
3 subsection (1) include, but are not limited to, the following:

4 (a) Increasing the number of physician practices fulfilling
5 patient-centered medical home functions.

6 (b) Reducing inappropriate health utilization, specifically
7 reducing preventable emergency department visits, reducing the
8 proportion of hospitalizations for ambulatory sensitive conditions,
9 and reducing this state's 30-day hospital readmission rate.

10 (3) By March 1 and September 1 of the current fiscal year, the
11 department shall submit a written report to the house and senate
12 appropriations subcommittees on the department budget, the house
13 and senate fiscal agencies, and the state budget office on the
14 status of the program and progress made since the prior report.

15 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

16 Sec. 1180. (1) From the funds appropriated in part 1 for the
17 healthy homes program, no less than \$1,750,000.00 shall be
18 allocated for lead abatement of homes.

19 (2) By January 1 of the current fiscal year, the department
20 shall provide a report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget director on the expenditures and
23 activities undertaken by the lead abatement program in the previous
24 fiscal year from the funds appropriated in part 1 for the healthy
25 homes program. The report shall include, but is not limited to, a
26 funding allocation schedule, expenditures by category of

1 expenditure and by subcontractor, revenues received, description of
2 program elements, and description of program accomplishments and
3 progress.

4 Sec. 1183. From the funds appropriated in part 1 for
5 epidemiology administration, \$150,000.00 shall be allocated for
6 Zika virus education and outreach, prevention, detection,
7 monitoring, and screening and testing as recommended by the federal
8 Centers for Disease Control and Prevention. By the end of each
9 fiscal quarter of the current fiscal year, the department shall
10 report on public health issues in this state related to the Zika
11 virus. The report shall be provided to the house and senate
12 appropriations subcommittees on health and human services and the
13 house and senate fiscal agencies.

14 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

15 Sec. 1220. The amount appropriated in part 1 for
16 implementation of the 1993 additions of or amendments to sections
17 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
18 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
19 333.17015, and 333.17515, shall be used to reimburse local health
20 departments for costs incurred related to implementation of section
21 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

22 Sec. 1221. If a county that has participated in a district
23 health department or an associated arrangement with other local
24 health departments takes action to cease to participate in such an
25 arrangement after October 1 of the current fiscal year, the
26 department shall have the authority to assess a penalty from the

1 local health department's operational accounts in an amount equal
2 to no more than 6.25% of the local health department's essential
3 local public health services funding. This penalty shall only be
4 assessed to the local county that requests the dissolution of the
5 health department.

6 Sec. 1222. (1) Funds appropriated in part 1 for essential
7 local public health services shall be prospectively allocated to
8 local health departments to support immunizations, infectious
9 disease control, sexually transmitted disease control and
10 prevention, hearing screening, vision services, food protection,
11 public water supply, private groundwater supply, and on-site sewage
12 management. Food protection shall be provided in consultation with
13 the department of agriculture and rural development. Public water
14 supply, private groundwater supply, and on-site sewage management
15 shall be provided in consultation with the department of
16 environmental quality.

17 (2) Local public health departments shall be held to
18 contractual standards for the services in subsection (1).

19 (3) Distributions in subsection (1) shall be made only to
20 counties that maintain local spending in the current fiscal year of
21 at least the amount expended in fiscal year 1992-1993 for the
22 services described in subsection (1).

23 (4) By December 1 of the current fiscal year, the department
24 shall provide a report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget director on the planned allocation
27 of the funds appropriated for essential local public health

1 services.

2 Sec. 1223. (1) From the funds appropriated in part 1 for
3 dental programs, \$150,000.00 shall be allocated to the Michigan
4 Dental Association for the administration of a volunteer dental
5 program that provides dental services to the uninsured.

6 (2) Not later than December 1 of the current fiscal year, the
7 department shall report to the senate and house appropriations
8 subcommittees on the department budget, the senate and house
9 standing committees on health policy, the senate and house fiscal
10 agencies, and the state budget office the number of individual
11 patients treated, number of procedures performed, and approximate
12 total market value of those procedures from the immediately
13 preceding fiscal year.

14 Sec. 1224. The department shall use revenue from mobile
15 dentistry facility permit fees received under section 21605 of the
16 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
17 of the permit program.

18 Sec. 1225. The department shall work with the Michigan health
19 endowment fund corporation established under section 653 of the
20 nonprofit health care corporation reform act, 1980 PA 350, MCL
21 550.1653, to explore ways to fund and evaluate current and future
22 policies and programs.

23 Sec. 1226. From the funds appropriated in part 1 for health
24 and wellness initiatives, \$1,000,000.00 shall be allocated for a
25 school children's healthy exercise program to promote and advance
26 physical health for school children in kindergarten through grade
27 8. The department shall recommend model programs for sites to

1 implement that incorporate evidence-based best practices. The
2 department shall grant no less than 1/2 of the funds appropriated
3 in part 1 for before- and after-school programs. The department
4 shall establish guidelines for program sites, which may include
5 schools, community-based organizations, private facilities,
6 recreation centers, or other similar sites. The program format
7 shall encourage local determination of site activities and shall
8 encourage local inclusion of youth in the decision-making regarding
9 site activities. Program goals shall include children experiencing
10 improved physical health and access to physical activity
11 opportunities, the reduction of obesity, providing a safe place to
12 play and exercise, and nutrition education. To be eligible to
13 participate, program sites shall provide a 20% match to the state
14 funding, which may be provided in full, or in part, by a
15 corporation, foundation, or private partner. The department shall
16 seek financial support from corporate, foundation, or other private
17 partners for the program or for individual program sites.

18 Sec. 1227. The department shall establish criteria for all
19 funds allocated under part 1 for health and wellness initiatives.
20 The criteria must include a requirement that all programs funded be
21 evidence-based and supported by research, include interventions
22 that have been shown to demonstrate outcomes that lower cost and
23 improve quality, and be designed for statewide impact. Preference
24 must be given to programs that utilize the funding as match for
25 additional resources, including, but not limited to, federal
26 sources.

1 **FAMILY, MATERNAL, AND CHILD HEALTH**

2 Sec. 1300. The department shall monitor estimated public funds
3 administered by the department for family planning, sexually
4 transmitted infection prevention and treatment, and pregnancies and
5 births, as well as demographics collected by the department as
6 voluntarily self-reported by individuals utilizing those services.
7 The department shall monitor the actual expenditures by marital
8 status or, where actual expenditures are not available, shall
9 monitor estimated expenditures by marital status. The department
10 may utilize the DCH-1426 application for health coverage and help
11 paying costs or any other official application for public
12 assistance for medical coverage to determine the actual or
13 estimated public expenditures based on marital status. The
14 department shall provide this information upon request of the
15 legislature.

16 Sec. 1301. (1) Before April 1 of the current fiscal year, the
17 department shall submit a report to the house and senate fiscal
18 agencies and the state budget director on planned allocations from
19 the amounts appropriated in part 1 for local MCH services, prenatal
20 care outreach and service delivery support, family planning local
21 agreements, and pregnancy prevention programs. Using applicable
22 federal definitions, the report shall include information on all of
23 the following:

24 (a) Funding allocations.

25 (b) Actual number of women, children, and adolescents served
26 and amounts expended for each group for the immediately preceding
27 fiscal year.

1 (c) A breakdown of the expenditure of these funds between
2 urban and rural communities.

3 (2) The department shall ensure that the distribution of funds
4 through the programs described in subsection (1) takes into account
5 the needs of rural communities.

6 (3) For the purposes of this section, "rural" means a county,
7 city, village, or township with a population of 30,000 or less,
8 including those entities if located within a metropolitan
9 statistical area.

10 Sec. 1302. Each family planning program receiving federal
11 title X family planning funds under 42 USC 300 to 300a-8 shall be
12 in compliance with all performance and quality assurance indicators
13 that the office of population affairs within the United States
14 Department of Health and Human Services specifies in the program
15 guidelines for project grants for family planning services. An
16 agency not in compliance with the indicators shall not receive
17 supplemental or reallocated funds.

18 Sec. 1303. The department shall not contract with an
19 organization which provides elective abortions, abortion
20 counseling, or abortion referrals, for services that are to be
21 funded with state restricted or state general fund/general purpose
22 funds appropriated in part 1 for family planning local agreements.
23 An organization under contract with the department shall not
24 subcontract with an organization which provides elective abortions,
25 abortion counseling, or abortion referrals, for services that are
26 to be funded with state restricted or state general fund/general
27 purpose funds appropriated in part 1 for family planning local

1 agreements.

2 Sec. 1304. The department shall not use state restricted funds
3 or state general funds appropriated in part 1 in the pregnancy
4 prevention program or family planning local agreements
5 appropriation line items for abortion counseling, referrals, or
6 services.

7 Sec. 1307. (1) From the funds appropriated in part 1 for
8 prenatal care outreach and service delivery support, \$400,000.00
9 shall be allocated for a pregnancy and parenting support services
10 program, which program must promote childbirth, alternatives to
11 abortion, and grief counseling. The department shall establish a
12 program with a qualified contractor that will contract with
13 qualified service providers to provide free counseling, support,
14 and referral services to eligible women during pregnancy through 12
15 months after birth. As appropriate, the goals for client outcomes
16 shall include an increase in client support, an increase in
17 childbirth choice, an increase in adoption knowledge, an
18 improvement in parenting skills, and improved reproductive health
19 through abstinence education. The contractor of the program shall
20 provide for program training, client educational material, program
21 marketing, and annual service provider site monitoring. The
22 department shall submit a report to the house and senate
23 appropriations subcommittees on the department budget and the house
24 and senate fiscal agencies by April 1 of the current fiscal year on
25 the number of clients served.

26 (2) Unexpended funds appropriated in part 1 to pay for the
27 pregnancy and parenting support program described in subsection (1)

1 are designated as work project appropriations, and any unencumbered
2 or unallotted funds shall not lapse at the end of the fiscal year
3 and shall be available for expenditures for the pregnancy and
4 parenting support program under this section until the project has
5 been completed. All of the following are in compliance with section
6 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to provide pregnancy and
8 parenting support services, and the program must promote
9 childbirth, alternatives to abortion, and grief counseling.

10 (b) The project will be carried out through a contract with a
11 qualified contractor that will contract with qualified service
12 providers to provide free counseling, support, and referral
13 services to eligible women during pregnancy through 12 months after
14 birth.

15 (c) The estimated cost of this work project is \$400,000.00.

16 (d) The estimated work project completion date is September
17 30, 2021.

18 Sec. 1308. From the funds appropriated in part 1 for prenatal
19 care outreach and service delivery support, not less than
20 \$500,000.00 of funding shall be allocated for evidence-based
21 programs to reduce infant mortality including nurse family
22 partnership programs. The funds shall be used for enhanced support
23 and education to nursing teams or other teams of qualified health
24 professionals, client recruitment in areas designated as
25 underserved for obstetrical and gynecological services and other
26 high-need communities, strategic planning to expand and sustain
27 programs, and marketing and communications of programs to raise

1 awareness, engage stakeholders, and recruit nurses.

2 Sec. 1309. The department shall allocate funds appropriated in
3 section 117 of part 1 for family, maternal, and child health
4 according to section 1 of 2002 PA 360, MCL 333.1091.

5 Sec. 1310. The department shall continue to work jointly with
6 the Michigan state housing development authority and the joint task
7 force established under article IV of 2014 PA 252 to review housing
8 rehabilitation, energy and weatherization, and hazard abatement
9 program policies and to make recommendations for integrating and
10 coordinating project delivery with the goals of serving more
11 families and achieving better outcomes by maximizing state and
12 federal resources. The joint task force may provide recommendations
13 to the department. Recommendations of the joint task force must
14 give consideration to best practices and cost-effectiveness.

15 Sec. 1311. From the funds appropriated in part 1 for prenatal
16 care outreach and service delivery support, equal consideration
17 shall be given to all eligible evidence-based providers in all
18 regions in contracting for rural home visitation services.

19 Sec. 1313. (1) The department shall continue developing an
20 outreach program on fetal alcohol syndrome services, targeting
21 health promotion, prevention, and intervention as described in the
22 Michigan fetal alcohol spectrum disorders five year plan 2015-2020.

23 (2) The department shall explore federal grant funding to
24 address prevention services for fetal alcohol syndrome and reduce
25 alcohol consumption among pregnant women.

26 Sec. 1340. For the women, infants, and children special
27 supplemental food and nutrition program, the department shall make

1 national brand products available if it is determined by the
2 department that the price per unit is more cost-effective and
3 satisfies nutritional requirements of the federal program. The
4 determination must be made during the biannual food authorization
5 evaluation.

6 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

7 Sec. 1360. The department may do 1 or more of the following:

8 (a) Provide special formula for eligible clients with
9 specified metabolic and allergic disorders.

10 (b) Provide medical care and treatment to eligible patients
11 with cystic fibrosis who are 21 years of age or older.

12 (c) Provide medical care and treatment to eligible patients
13 with hereditary coagulation defects, commonly known as hemophilia,
14 who are 21 years of age or older.

15 (d) Provide human growth hormone to eligible patients.

16 Sec. 1361. From the funds appropriated in part 1 for medical
17 care and treatment, the department is authorized to spend those
18 funds for the continued development and expansion of telemedicine
19 capacity to allow families with children in the children's special
20 health care services program to access specialty providers more
21 readily and in a more timely manner.

22 **AGING AND ADULT SERVICES AGENCY**

23 Sec. 1403. (1) By February 1 of the current fiscal year, the
24 aging and adult services agency shall require each region to report
25 to the aging and adult services agency and to the legislature home-

1 delivered meals waiting lists based upon standard criteria.

2 Determining criteria shall include all of the following:

3 (a) The recipient's degree of frailty.

4 (b) The recipient's inability to prepare his or her own meals
5 safely.

6 (c) Whether the recipient has another care provider available.

7 (d) Any other qualifications normally necessary for the
8 recipient to receive home-delivered meals.

9 (2) Data required in subsection (1) shall be recorded only for
10 individuals who have applied for participation in the home-
11 delivered meals program and who are initially determined as likely
12 to be eligible for home-delivered meals.

13 Sec. 1417. The department shall provide to the senate and
14 house appropriations subcommittees on the department budget, senate
15 and house fiscal agencies, and state budget director a report by
16 March 30 of the current fiscal year that contains all of the
17 following:

18 (a) The total allocation of state resources made to each area
19 agency on aging by individual program and administration.

20 (b) Detail expenditure by each area agency on aging by
21 individual program and administration including both state-funded
22 resources and locally funded resources.

23 Sec. 1421. From the funds appropriated in part 1 for community
24 services, \$1,100,000.00 shall be allocated to area agencies on
25 aging for locally determined needs.

26 Sec. 1422. From the funds appropriated in part 1 for aging and
27 adult services administration, not less than \$300,000.00 shall be

1 allocated for the department to contract with the Prosecuting
2 Attorneys Association of Michigan to provide the support and
3 services necessary to increase the capability of the state's
4 prosecutors, adult protective service system, and criminal justice
5 system to effectively identify, investigate, and prosecute elder
6 abuse and financial exploitation.

7 Sec. 1424. From the funds appropriated in part 1 for community
8 services, \$150,000.00 is appropriated for Alzheimer's disease
9 services and shall be remitted to the Alzheimer's Association
10 Michigan chapters for the purpose of carrying out a pilot project
11 in Macomb, Monroe, and St. Joseph Counties. The fiduciary for the
12 funds is the Alzheimer's Association - Greater Michigan Chapter.
13 The Alzheimer's Association shall provide enhanced services,
14 including 24/7 helpline, continued care consultation, and support
15 groups, to individuals with Alzheimer's disease or dementia and
16 their families in the 3 counties, and partner with a Michigan
17 public university to study whether provision of such in-home
18 support services significantly delays the need for residential
19 long-term care services for individuals with Alzheimer's disease or
20 dementia. The study must also consider potential cost savings
21 related to the delay of long-term care services, if a delay is
22 shown.

23 MEDICAL SERVICES ADMINISTRATION

24 Sec. 1501. The unexpended funds appropriated in part 1 for the
25 electronic health records incentive program are considered work
26 project appropriations, and any unencumbered or unallotted funds

1 are carried forward into the following fiscal year. The following
2 is in compliance with section 451a(1) of the management and budget
3 act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project to be carried forward is to
5 implement the Medicaid electronic health record program that
6 provides financial incentive payments to Medicaid health care
7 providers to encourage the adoption and meaningful use of
8 electronic health records to improve quality, increase efficiency,
9 and promote safety.

10 (b) The projects will be accomplished according to the
11 approved federal advanced planning document.

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

14 (d) The tentative completion date for the work project is
15 September 30, 2021.

16 Sec. 1503. From the funds appropriated in part 1 for Healthy
17 Michigan plan administration, the department shall maintain an
18 accounting structure within the Michigan administrative information
19 network that will allow expenditures associated with the
20 administration of the Healthy Michigan plan to be identified.

21 Sec. 1505. By March 1 and September 1 of the current fiscal
22 year, the department shall submit a report to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, and the state budget office including
25 both of the following:

26 (a) The department's projected annual increase in
27 reimbursement savings and cost offsets that will result from the

1 funds appropriated in part 1 for the office of inspector general
2 and third party liability efforts.

3 (b) The actual increase in reimbursement savings and cost
4 offsets that have resulted from the funds appropriated in part 1
5 for the office of inspector general and third party liability
6 efforts.

7 Sec. 1506. The department shall submit to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, the senate and house policy offices, and
10 the state budget office a quarterly report on the implementation
11 status of the Healthy Michigan call center that includes all of the
12 following information:

13 (a) Call volume during the prior quarter.

14 (b) Percentage of calls resolved through the Healthy Michigan
15 plan call center.

16 (c) Percentage of calls transferred to a local department
17 office or other office for resolution.

18 (d) Number of Medicaid applications completed by the Healthy
19 Michigan call center staff and submitted on behalf of clients.

20 Sec. 1507. (1) From the funds appropriated in part 1 for
21 technology supporting integrated service delivery, the department
22 shall establish new information technology tools and enhance
23 existing systems to improve the eligibility and enrollment process
24 for citizens accessing department-administered programs. This
25 information technology system will consolidate beneficiary
26 information, support department caseworker efforts in building a
27 success plan for beneficiaries, and better support department staff

1 in supporting enrollees in assistance programs.

2 (2) Outcomes and performance measures for the initiative under
3 subsection (1) include, but are not limited to, the following:

4 (a) Successful consolidation of data warehouses maintained by
5 the department.

6 (b) The amount of time a department caseworker devotes to data
7 entry when initiating an enrollee application.

8 (c) A reduction in wait times for persons enrolled in
9 assistance programs to speak with department staff and get
10 necessary changes made.

11 (d) A reduction in department caseworker workload.

12 (3) By December 1 of the current fiscal year, the department
13 shall report to the senate and house appropriations subcommittees
14 on the department budget and the senate and house fiscal agencies
15 all of the following information:

16 (a) The process used to define requests for proposal for each
17 element of the integrated service delivery plan, including
18 timelines, project milestones, and intended outcomes.

19 (b) If the department decides not to contract the services out
20 to design and implement each element of the integrated service
21 delivery plan, the department shall submit its own project plan
22 that includes, at a minimum, the requirements in subdivision (a).

23 (c) A recommended project management plan with milestones and
24 time frames.

25 (d) The proposed benefits from implementing the integrated
26 service delivery plan, including customer service improvement, form
27 reductions, potential time savings, caseload reduction, and return

1 on investment.

2 (4) The information in subsection (3)(d) shall be posted on
3 the department's website.

4 **MEDICAL SERVICES**

5 Sec. 1601. The cost of remedial services incurred by residents
6 of licensed adult foster care homes and licensed homes for the aged
7 shall be used in determining financial eligibility for the
8 medically needy. Remedial services include basic self-care and
9 rehabilitation training for a resident.

10 Sec. 1603. (1) The department may establish a program for
11 individuals to purchase medical coverage at a rate determined by
12 the department.

13 (2) The department may receive and expend premiums for the
14 buy-in of medical coverage in addition to the amounts appropriated
15 in part 1.

16 (3) The premiums described in this section shall be classified
17 as private funds.

18 Sec. 1605. The protected income level for Medicaid coverage
19 determined pursuant to section 106(1)(b)(iii) of the social welfare
20 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
21 assistance standard.

22 Sec. 1606. For the purpose of guardian and conservator
23 charges, the department may deduct up to \$60.00 per month as an
24 allowable expense against a recipient's income when determining
25 medical services eligibility and patient pay amounts.

26 Sec. 1607. (1) An applicant for Medicaid, whose qualifying

1 condition is pregnancy, shall immediately be presumed to be
2 eligible for Medicaid coverage unless the preponderance of evidence
3 in her application indicates otherwise. The applicant who is
4 qualified as described in this subsection shall be allowed to
5 select or remain with the Medicaid participating obstetrician of
6 her choice.

7 (2) An applicant qualified as described in subsection (1)
8 shall be given a letter of authorization to receive Medicaid
9 covered services related to her pregnancy. All qualifying
10 applicants shall be entitled to receive all medically necessary
11 obstetrical and prenatal care without preauthorization from a
12 health plan. All claims submitted for payment for obstetrical and
13 prenatal care shall be paid at the Medicaid fee-for-service rate in
14 the event a contract does not exist between the Medicaid
15 participating obstetrical or prenatal care provider and the managed
16 care plan. The applicant shall receive a listing of Medicaid
17 physicians and managed care plans in the immediate vicinity of the
18 applicant's residence.

19 (3) In the event that an applicant, presumed to be eligible
20 pursuant to subsection (1), is subsequently found to be ineligible,
21 a Medicaid physician or managed care plan that has been providing
22 pregnancy services to an applicant under this section is entitled
23 to reimbursement for those services until such time as they are
24 notified by the department that the applicant was found to be
25 ineligible for Medicaid.

26 (4) If the preponderance of evidence in an application
27 indicates that the applicant is not eligible for Medicaid, the

1 department shall refer that applicant to the nearest public health
2 clinic or similar entity as a potential source for receiving
3 pregnancy-related services.

4 (5) The department shall develop an enrollment process for
5 pregnant women covered under this section that facilitates the
6 selection of a managed care plan at the time of application.

7 (6) The department shall mandate enrollment of women, whose
8 qualifying condition is pregnancy, into Medicaid managed care
9 plans.

10 (7) The department shall encourage physicians to provide
11 women, whose qualifying condition for Medicaid is pregnancy, with a
12 referral to a Medicaid participating dentist at the first
13 pregnancy-related appointment.

14 Sec. 1611. (1) For care provided to medical services
15 recipients with other third-party sources of payment, medical
16 services reimbursement shall not exceed, in combination with such
17 other resources, including Medicare, those amounts established for
18 medical services-only patients. The medical services payment rate
19 shall be accepted as payment in full. Other than an approved
20 medical services co-payment, no portion of a provider's charge
21 shall be billed to the recipient or any person acting on behalf of
22 the recipient. Nothing in this section shall be considered to
23 affect the level of payment from a third-party source other than
24 the medical services program. The department shall require a
25 nonenrolled provider to accept medical services payments as payment
26 in full.

27 (2) Notwithstanding subsection (1), medical services

1 reimbursement for hospital services provided to dual
2 Medicare/medical services recipients with Medicare part B coverage
3 only shall equal, when combined with payments for Medicare and
4 other third-party resources, if any, those amounts established for
5 medical services-only patients, including capital payments.

6 Sec. 1620. (1) Pursuant to the federal covered outpatient drug
7 final rule with comment (CMS-2345-FC), the department shall
8 establish a professional pharmaceutical dispensing fee for pharmacy
9 benefits that are reimbursed on a fee-for-service basis. In
10 establishing this fee, the department shall comply with federal law
11 while taking into consideration the state's long-term financial
12 exposure and Medicaid beneficiaries' access to care. The
13 established fee shall not be lower than the amount in effect on
14 October 1, 2015.

15 (2) The department shall require a prescription co-payment for
16 Medicaid recipients not enrolled in the Healthy Michigan plan or
17 with an income less than 100% of the federal poverty level of \$1.00
18 for a generic drug and \$3.00 for a brand-name drug, except as
19 prohibited by federal or state law or regulation.

20 (3) The department shall require a prescription co-payment for
21 Medicaid recipients enrolled in the Healthy Michigan plan with an
22 income of at least 100% of the federal poverty level of \$4.00 for a
23 generic drug and \$8.00 for a brand-name drug, except as prohibited
24 by federal or state law or regulation. Administration of this co-
25 payment shall be consistent with the terms and conditions
26 established by the Centers for Medicare and Medicaid Services
27 linked to the federal waiver authorizing the Healthy Michigan plan.

1 Sec. 1629. The department shall utilize maximum allowable cost
2 pricing for generic drugs that is based on wholesaler pricing to
3 providers that is available from at least 2 wholesalers who deliver
4 in this state.

5 Sec. 1631. (1) The department shall require co-payments on
6 dental, podiatric, and vision services provided to Medicaid
7 recipients, except as prohibited by federal or state law or
8 regulation.

9 (2) Except as otherwise prohibited by federal or state law or
10 regulation, the department shall require Medicaid recipients not
11 enrolled in the Healthy Michigan plan or with an income less than
12 100% of the federal poverty level to pay not less than the
13 following co-payments:

14 (a) Two dollars for a physician office visit.

15 (b) Three dollars for a hospital emergency room visit.

16 (c) Fifty dollars for the first day of an inpatient hospital
17 stay.

18 (d) One dollar for an outpatient hospital visit.

19 (3) Except as otherwise prohibited by federal or state law or
20 regulation, and consistent with the terms and conditions
21 established by the Centers for Medicare and Medicaid Services
22 linked to the federal waiver authorizing the Healthy Michigan plan,
23 the department shall require Medicaid recipients enrolled in the
24 Healthy Michigan plan with an income of at least 100% of the
25 federal poverty level to pay the following co-payments:

26 (a) Four dollars for a physician office visit.

27 (b) Eight dollars for a hospital emergency room visit.

1 (c) One hundred dollars for the first day of an inpatient
2 hospital stay.

3 (d) Four dollars for an outpatient hospital visit or any other
4 medical provider visit to the extent allowed by federal or state
5 law or regulation.

6 Sec. 1641. An institutional provider that is required to
7 submit a cost report under the medical services program shall
8 submit cost reports completed in full within 5 months after the end
9 of its fiscal year.

10 Sec. 1645. The department shall review and recalculate the
11 prior year nursing facility quality assessment fee computation to
12 reflect actual days of care provided by each nursing home and
13 hospital long-term care unit instead of using projected days of
14 care provided by each nursing home and hospital long-term care
15 unit.

16 Sec. 1657. (1) Reimbursement for medical services to screen
17 and stabilize a Medicaid recipient, including stabilization of a
18 psychiatric crisis, in a hospital emergency room shall not be made
19 contingent on obtaining prior authorization from the recipient's
20 HMO. If the recipient is discharged from the emergency room, the
21 hospital shall notify the recipient's HMO within 24 hours of the
22 diagnosis and treatment received.

23 (2) If the treating hospital determines that the recipient
24 will require further medical service or hospitalization beyond the
25 point of stabilization, that hospital shall receive authorization
26 from the recipient's HMO prior to admitting the recipient.

27 (3) Subsections (1) and (2) do not require an alteration to an

1 existing agreement between an HMO and its contracting hospitals and
2 do not require an HMO to reimburse for services that are not
3 considered to be medically necessary.

4 Sec. 1659. The following sections of this part are the only
5 sections that shall apply to the following Medicaid managed care
6 programs, including the comprehensive plan, MIChoice long-term care
7 plan, and the mental health, substance use disorder, and
8 developmentally disabled services program: 298, 904, 911, 918, 920,
9 928, 994, 1008, 1607, 1657, 1662, 1699, 1764, 1806, 1810, 1820,
10 1850, and 1888.

11 Sec. 1662. (1) The department shall assure that an external
12 quality review of each contracting HMO is performed that results in
13 an analysis and evaluation of aggregated information on quality,
14 timeliness, and access to health care services that the HMO or its
15 contractors furnish to Medicaid beneficiaries.

16 (2) The department shall require Medicaid HMOs to provide
17 EPSDT utilization data through the encounter data system, and HEDIS
18 well child health measures in accordance with the National
19 Committee for Quality Assurance prescribed methodology.

20 (3) The department shall provide a copy of the analysis of the
21 Medicaid HMO annual audited HEDIS reports and the annual external
22 quality review report to the senate and house of representatives
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, and the state budget director, within 30
25 days of the department's receipt of the final reports from the
26 contractors.

27 Sec. 1670. (1) The appropriation in part 1 for the MIChild

1 program is to be used to provide comprehensive health care to all
2 children under age 19 who reside in families with income at or
3 below 212% of the federal poverty level, who are uninsured and have
4 not had coverage by other comprehensive health insurance within 6
5 months of making application for MICHild benefits, and who are
6 residents of this state. The department shall develop detailed
7 eligibility criteria through the medical services administration
8 public concurrence process, consistent with the provisions of this
9 part and part 1.

10 (2) The department may provide up to 1 year of continuous
11 eligibility to children eligible for the MICHild program unless the
12 family fails to pay the monthly premium, a child reaches age 19, or
13 the status of the children's family changes and its members no
14 longer meet the eligibility criteria as specified in the state
15 plan.

16 (3) To be eligible for the MICHild program, a child must be
17 residing in a family with an adjusted gross income of less than or
18 equal to 212% of the federal poverty level. The department's
19 verification policy shall be used to determine eligibility.

20 (4) The department may make payments on behalf of children
21 enrolled in the MICHild program as described in the MICHild state
22 plan approved by the United States Department of Health and Human
23 Services, or from other medical services.

24 Sec. 1673. The department may establish premiums for MICHild
25 eligible individuals in families with income at or below 212% of
26 the federal poverty level. The monthly premiums shall be \$10.00 per
27 month.

1 Sec. 1677. The MICHild program shall provide, at a minimum,
2 all benefits available under the Michigan benchmark plan that are
3 delivered through contracted providers and consistent with federal
4 law, including, but not limited to, the following medically
5 necessary services:

6 (a) Inpatient mental health services, other than substance use
7 disorder treatment services, including services furnished in a
8 state-operated mental hospital and residential or other 24-hour
9 therapeutically planned structured services.

10 (b) Outpatient mental health services, other than substance
11 use disorder services, including services furnished in a state-
12 operated mental hospital and community-based services.

13 (c) Durable medical equipment and prosthetic and orthotic
14 devices.

15 (d) Dental services as outlined in the approved MICHild state
16 plan.

17 (e) Substance use disorder treatment services that may include
18 inpatient, outpatient, and residential substance use disorder
19 treatment services.

20 (f) Care management services for mental health diagnoses.

21 (g) Physical therapy, occupational therapy, and services for
22 individuals with speech, hearing, and language disorders.

23 (h) Emergency ambulance services.

24 Sec. 1682. (1) In addition to the appropriations in part 1,
25 the department is authorized to receive and spend penalty money
26 received as the result of noncompliance with medical services
27 certification regulations. Penalty money, characterized as private

1 funds, received by the department shall increase authorizations and
2 allotments in the long-term care accounts.

3 (2) Any unexpended penalty money, at the end of the year,
4 shall carry forward to the following year.

5 Sec. 1692. (1) The department is authorized to pursue
6 reimbursement for eligible services provided in Michigan schools
7 from the federal Medicaid program. The department and the state
8 budget director are authorized to negotiate and enter into
9 agreements, together with the department of education, with local
10 and intermediate school districts regarding the sharing of federal
11 Medicaid services funds received for these services. The department
12 is authorized to receive and disburse funds to participating school
13 districts pursuant to such agreements and state and federal law.

14 (2) From the funds appropriated in part 1 for medical services
15 school-based services payments, the department is authorized to do
16 all of the following:

17 (a) Finance activities within the medical services
18 administration related to this project.

19 (b) Reimburse participating school districts pursuant to the
20 fund-sharing ratios negotiated in the state-local agreements
21 authorized in subsection (1).

22 (c) Offset general fund costs associated with the medical
23 services program.

24 Sec. 1693. The special Medicaid reimbursement appropriation in
25 part 1 may be increased if the department submits a medical
26 services state plan amendment pertaining to this line item at a
27 level higher than the appropriation. The department is authorized

1 to appropriately adjust financing sources in accordance with the
2 increased appropriation.

3 Sec. 1694. From the funds appropriated in part 1 for special
4 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
5 revenue and any associated federal match shall be distributed for
6 poison control services to an academic health care system that
7 includes a children's hospital that has a high indigent care
8 volume.

9 Sec. 1699. (1) The department may make separate payments in
10 the amount of \$45,000,000.00 directly to qualifying hospitals
11 serving a disproportionate share of indigent patients and to
12 hospitals providing GME training programs. If direct payment for
13 GME and DSH is made to qualifying hospitals for services to
14 Medicaid clients, hospitals shall not include GME costs or DSH
15 payments in their contracts with HMOs.

16 (2) The department shall allocate \$45,000,000.00 in DSH
17 funding using the distribution methodology used in fiscal year
18 2003-2004.

19 Sec. 1700. (1) By December 1 of the current fiscal year, the
20 department shall report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the state budget office on the distribution of
23 funding provided, and the net benefit if the special hospital
24 payment is not financed with general fund/general purpose revenue,
25 to each eligible hospital during the prior fiscal year from the
26 following special hospital payments:

27 (a) DSH, separated out by unique DSH pool.

1 (b) GME.

2 (c) Special rural hospital payments provided under section
3 1866.

4 (d) Lump-sum payments to rural hospitals for obstetrical care
5 provided under section 1802.

6 (2) By May 1 of the current fiscal year, the department shall
7 report to the senate and house appropriations subcommittees on the
8 department budget, the senate and house fiscal agencies, and the
9 state budget office on the projected distribution of funding, and
10 the projected net benefit if the special hospital payment is not
11 financed with general fund/general purpose revenue, to each
12 eligible hospital from the following special hospital payments:

13 (a) DSH, separated out by unique DSH pool.

14 (b) GME.

15 (c) Special rural hospital payments provided under section
16 1866.

17 (d) Lump-sum payments to rural hospitals for obstetrical care
18 provided under section 1802.

19 Sec. 1701. The department shall consider implementing a direct
20 primary care pilot program for Medicaid enrollees. Each Medicaid
21 enrollee who participates in the pilot program shall be enrolled in
22 a direct primary care provider plan that is under contract with 1
23 or more Medicaid managed care health plans. Outcomes and
24 performance measures for the direct primary care pilot program
25 include, but are not limited to, the following:

26 (a) The number of enrollees in the pilot program by Medicaid
27 eligibility category.

1 (b) Direct primary care cost per enrollee.

2 (c) Other Medicaid managed care cost savings generated from
3 direct primary care.

4 Sec. 1702. From the funds appropriated in part 1, the
5 department shall provide a 10% rate increase for private duty
6 nursing services for Medicaid beneficiaries under the age of 21.
7 These additional funds must be used to attract and retain highly
8 qualified registered nurses and licensed practical nurses to
9 provide private duty nursing services so that medically frail
10 children can be cared for in the most homelike setting possible.

11 Sec. 1703. The department, in cooperation with the department
12 of education, shall investigate funding opportunities for Early On
13 early intervention services for eligible children with
14 developmental delays and disabilities. The department shall
15 commission a study with expert input on funding strategies utilized
16 in other states that includes the feasibility of maximizing
17 Medicaid reimbursement for children eligible for Early On services.
18 The report shall also include any barriers identified to maximizing
19 Medicaid funds for Early On services in this state and
20 recommendations for future action. The department shall report to
21 the senate and house appropriations subcommittees on the department
22 budget and the senate and house fiscal agencies by January 1 of the
23 current fiscal year on the findings of the report.

24 Sec. 1704. (1) The department and its contractual agents may
25 not subject Medicaid prescriptions to prior authorization
26 procedures with respect to the following drugs:

27 (a) A prescription drug that is generally recognized in a

1 standard medical reference of the American Psychiatric
2 Association's Diagnostic and Statistical Manual for the treatment
3 of a psychiatric disorder.

4 (b) A prescription that is generally recognized in a standard
5 medical reference for the treatment of cancer, HIV-AIDS, epilepsy
6 or seizure disorder, or organ replacement therapy.

7 (2) As used in this section, "prior authorization" means a
8 process implemented by the department or its contractual agents
9 that conditions, delays, or denies delivery of particular pharmacy
10 services to Medicaid beneficiaries upon application of
11 predetermined criteria by the department or its contractual agents
12 to those pharmacy services. The process of prior authorization
13 often requires that a prescriber do 1 or both of the following:

14 (a) Obtain preapproval from the department or its contractual
15 agents before prescribing a given drug.

16 (b) Verify to the department or its contractual agents that
17 the use of a drug prescribed for an individual meets predetermined
18 criteria from the department or its contractual agents for a
19 prescription drug that is otherwise available under the Medicaid
20 program in this state.

21 Sec. 1724. The department shall allow licensed pharmacies to
22 purchase injectable drugs for the treatment of respiratory
23 syncytial virus for shipment to physicians' offices to be
24 administered to specific patients. If the affected patients are
25 Medicaid eligible, the department shall reimburse pharmacies for
26 the dispensing of the injectable drugs and reimburse physicians for
27 the administration of the injectable drugs.

1 Sec. 1730. (1) The department shall work with the department
2 of education to evaluate the feasibility of including an assessment
3 tool to promote literacy development of pregnant women and new
4 mothers in the maternal infant health program.

5 (2) By March 1 of the current fiscal year, the department
6 shall provide a report to the house and senate appropriations
7 subcommittees on the department budget, the house and senate fiscal
8 agencies, and the state budget office on the findings of the
9 feasibility study on including an assessment tool to promote
10 literacy development of pregnant women and new mothers in the
11 maternal infant health program.

12 Sec. 1757. The department shall obtain proof from all Medicaid
13 recipients that they are legal United States citizens or otherwise
14 legally residing in this country and that they are residents of
15 this state before approving Medicaid eligibility.

16 Sec. 1764. The department shall annually certify whether rates
17 paid to Medicaid health plans and specialty prepaid inpatient
18 health plans are actuarially sound in accordance with federal
19 requirements and shall provide a copy of the rate certification and
20 approval of rates paid to Medicaid health plans and specialty
21 prepaid inpatient health plans within 5 business days after
22 certification or approval to the house and senate appropriations
23 subcommittees on the department budget, the house and senate fiscal
24 agencies, and the state budget office. When calculating the annual
25 actuarial soundness adjustment, the department shall take into
26 account all Medicaid policy bulletins affecting Medicaid health
27 plans or specialty prepaid inpatient health plans issued after the

1 most recent actuarial soundness process concluded.

2 Sec. 1775. (1) By March 1 and September 1 of the current
3 fiscal year, the department shall report to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, and the state budget office on progress
6 in implementing the waiver to implement managed care for
7 individuals who are eligible for both Medicare and Medicaid, known
8 as MI Health Link, including, but not limited to, a description of
9 how the department intends to ensure that service delivery is
10 integrated, how key components of the proposal are implemented
11 effectively, and any problems and potential solutions as identified
12 by the ombudsman described in subsection (2).

13 (2) The department shall ensure the existence of an ombudsman
14 program that is not associated with any project service manager or
15 provider to assist MI Health Link beneficiaries with navigating
16 complaint and dispute resolution mechanisms and to identify
17 problems in the demonstrations and in the complaint and dispute
18 resolution mechanisms.

19 Sec. 1800. For the distribution of each of the pools within
20 the \$85,000,000.00 outpatient disproportionate share hospital
21 payment, the department shall develop a formula for the
22 distribution of each pool based on the quality of care, cost,
23 traditional disproportionate share hospital factors such as
24 Medicaid utilization and uncompensated care, and any other factor
25 that the department determines should be considered.

26 Sec. 1801. From the funds appropriated in part 1 for physician
27 services and health plan services, the department shall use

1 \$33,318,800.00 in general fund/general purpose plus associated
2 federal match to continue the increase to Medicaid rates for
3 primary care services provided only by primary care providers. For
4 the purpose of this section, a primary care provider is a
5 physician, or a practitioner working under the personal supervision
6 of a physician, who is board-eligible or certified with a specialty
7 designation of family medicine, general internal medicine, or
8 pediatric medicine, including the subspecialty of neonatal
9 medicine, or a provider who provides the department with
10 documentation of equivalency. Providers performing a service and
11 whose primary practice is as a non-primary-care subspecialty is not
12 eligible for the increase. The department shall establish policies
13 that most effectively limit the increase to primary care providers
14 for primary care services only.

15 Sec. 1802. From the funds appropriated in part 1, a lump-sum
16 payment shall be made to hospitals that qualified for rural
17 hospital access payments in fiscal year 2013-2014 and that provide
18 obstetrical care in the current fiscal year. The payment shall be
19 calculated as \$830.00 for each obstetrical care case payment and
20 each newborn care case payment for all such cases billed by the
21 qualified hospitals for fiscal year 2012-2013 and shall be paid
22 through the Medicaid health plan hospital rate adjustment process
23 by January 1 of the current fiscal year.

24 Sec. 1804. The department, in cooperation with the department
25 of military and veterans affairs, shall work with the federal
26 public assistance reporting information system to identify Medicaid
27 recipients who are veterans and who may be eligible for federal

1 veterans health care benefits or other benefits.

2 Sec. 1805. Hospitals receiving medical services payments for
3 graduate medical education shall submit fully completed quality
4 data to a national nonprofit organization with extensive experience
5 in collecting and reporting hospital quality data on a public
6 website or to the Centers for Medicare and Medicaid Services
7 hospital compare quality reporting website. The reporting must
8 utilize consensus-based nationally endorsed standards that meet
9 National Quality Forum-endorsed safe practices. The organization
10 collecting the data must be one that uses severity-adjusted risk
11 models and measures that will help patients and payers identify
12 hospital campuses likely to have superior outcomes.

13 Sec. 1806. (1) The department may establish performance
14 standards to measure progress in the implementation of the common
15 formulary used by all contracting Medicaid health plans.

16 (2) The ongoing implementation of the common formulary must
17 include consideration of the department's preferred drug list.

18 (3) To achieve the objective of low net cost, the contracted
19 health plans may use evidence-based utilization management
20 techniques in the development and implementation of the common
21 formulary.

22 (4) The contracted health plans and the department shall
23 continue to facilitate and emphasize the value of increased
24 participation in the use of e-prescribing and electronic medical
25 records.

26 Sec. 1810. The department shall enhance encounter data
27 reporting processes and develop rules that would make each health

1 plan's encounter data as complete as possible, provide a fair
2 measure of acuity for each health plan's enrolled population for
3 risk adjustment purposes, capitation rate setting, diagnosis-
4 related group rate setting, and research and analysis of program
5 efficiencies while minimizing health plan administrative expense.

6 Sec. 1812. (1) By June 1 of the current fiscal year, and using
7 the most recent available cost reports, the department shall
8 complete a report of all direct and indirect costs associated with
9 residency training programs for each hospital that receives funds
10 appropriated in part 1 for graduate medical education. The report
11 shall be submitted to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, and the state budget office.

14 (2) By August 1 of the current fiscal year, the department
15 shall develop a template for hospitals receiving funds appropriated
16 in part 1 for graduate medical education to report the following in
17 a standard format:

18 (a) The marginal cost to add 1 additional residency training
19 program slot.

20 (b) The number of additional slots that would result in the
21 need to add additional administrative costs to oversee the
22 residents in the training program.

23 (c) The postresidency retention rate for the residency
24 training program.

25 (3) The department shall convene a workgroup to use the
26 reports submitted under subsections (1) and (2) to assist in the
27 development of metrics for distribution of graduate medical

1 education funds and shall report to the senate and house
2 appropriations subcommittees on the department budget and the
3 senate and house fiscal agencies on the results of the workgroup by
4 September 30 of the current fiscal year. It is the intent of the
5 legislature that, beginning with the budget for the fiscal year
6 ending September 30, 2018, the metrics developed by this workgroup
7 be used to determine the distribution of funds for graduate medical
8 education.

9 (4) If needed, the department shall seek a federal waiver to
10 fulfill the requirements of this section.

11 Sec. 1820. (1) In order to avoid duplication of efforts, the
12 department shall utilize applicable national accreditation review
13 criteria to determine compliance with corresponding state
14 requirements for Medicaid health plans that have been reviewed and
15 accredited by a national accrediting entity for health care
16 services.

17 (2) The department shall continue to comply with state and
18 federal law and shall not initiate an action that negatively
19 impacts beneficiary safety.

20 (3) As used in this section, "national accrediting entity"
21 means the National Committee for Quality Assurance, the URAC,
22 formerly known as the Utilization Review Accreditation Commission,
23 or other appropriate entity, as approved by the department.

24 (4) By July 1 of the current fiscal year, the department shall
25 provide a progress report to the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal
27 agencies, and the state budget office on implementation of this

1 section.

2 Sec. 1837. The department shall continue, and expand where
3 appropriate, utilization of telemedicine and telepsychiatry as
4 strategies to increase access to services for Medicaid recipients
5 in medically underserved areas.

6 Sec. 1846. From the funds appropriated in part 1 for graduate
7 medical education, the department shall distribute the funds with
8 an emphasis on the following health care workforce goals:

9 (a) The encouragement of the training of physicians in
10 specialties, including primary care, that are necessary to meet the
11 future needs of residents of this state.

12 (b) The training of physicians in settings that include
13 ambulatory sites and rural locations.

14 Sec. 1850. The department may allow Medicaid health plans to
15 assist with the redetermination process through outreach activities
16 to ensure continuation of Medicaid eligibility and enrollment in
17 managed care. This may include mailings, telephone contact, or
18 face-to-face contact with beneficiaries enrolled in the individual
19 Medicaid health plan. Health plans may offer assistance in
20 completing paperwork for beneficiaries enrolled in their plan.

21 Sec. 1861. The department shall encourage cooperation between
22 the Medicaid managed care health plans, other health providers, and
23 nonprofit entities to continue the facilitation of a pilot
24 nonemergency transportation system.

25 Sec. 1862. From the funds appropriated in part 1, the
26 department shall maintain payment rates for Medicaid obstetrical
27 services at 95% of Medicare levels effective October 1, 2014.

1 Sec. 1866. (1) From the funds appropriated in part 1 for
2 hospital services and therapy and health plan services,
3 \$12,000,000.00 in general fund/general purpose revenue and any
4 associated federal match shall be awarded to hospitals that meet
5 criteria established by the department for services to low-income
6 rural residents. One of the reimbursement components of the
7 distribution formula shall be assistance with labor and delivery
8 services.

9 (2) No hospital or hospital system shall receive more than
10 10.0% of the total funding referenced in subsection (1).

11 (3) To allow hospitals to understand their rural payment
12 amounts under this section, the department shall provide hospitals
13 with the methodology for distribution under this section and
14 provide each hospital with its applicable data that are used to
15 determine the payment amounts by August 1 of the current fiscal
16 year. The department shall publish the distribution of payments for
17 the current fiscal year and the immediately preceding fiscal year.

18 Sec. 1870. The department shall continue to work with the
19 MiDocs consortium to explore alternative graduate medical education
20 financing sources and mechanisms that expand residency
21 opportunities for primary care training, per approval from the
22 Centers for Medicare and Medicaid Services. By December 1 of the
23 current fiscal year, the MiDocs consortium shall submit a report
24 presenting a comprehensive funding plan to the senate and house
25 appropriations subcommittees on the department budget and the
26 senate and house fiscal agencies.

27 Sec. 1888. The department shall establish contract performance

1 standards associated with the capitation withhold provisions for
2 Medicaid health plans at least 3 months in advance of the
3 implementation of those standards. The determination of whether
4 performance standards have been met shall be based primarily on
5 recognized concepts such as 1-year continuous enrollment and the
6 healthcare effectiveness data and information set, HEDIS, audited
7 data.

8 Sec. 1894. (1) From the funds appropriated in part 1 for
9 dental services, the department shall expand the Healthy Kids
10 Dental program to all eligible children in Kent, Oakland, and Wayne
11 Counties. This program expansion will improve access to necessary
12 dental services for Medicaid-enrolled children.

13 (2) Outcomes and performance measures for the initiative under
14 subsection (1) include, but are not limited to, the following:

15 (a) The number of Medicaid-enrolled children in Kent, Oakland,
16 and Wayne Counties who visited the dentist in the prior year.

17 (b) The number of dentists in Kent, Oakland, and Wayne
18 Counties who will accept Medicaid payment for services to children.

19 (c) The change in dental utilization in Kent, Oakland, and
20 Wayne Counties, before and after full implementation of the Healthy
21 Kids Dental expansion in these counties.

22 Sec. 1899. From the funds appropriated in part 1 for personal
23 care services, beginning October 1, 2016, the department shall
24 increase the monthly Medicaid personal care supplement paid to
25 adult foster care facilities and homes for the aged that provide
26 personal care services to Medicaid beneficiaries by \$15.00.

1 **ONE-TIME BASIS ONLY APPROPRIATIONS**

2 Sec. 1909. (1) From the increased funds appropriated in part 1
3 for family preservation and support services, the department shall
4 expand the parent partner program and the family reunification
5 program. The purpose of these program expansions will be to enhance
6 family preservation and support services to prevent the need for
7 foster care, shorten the length of time between foster care entry
8 and reunification, and sustain parental progress following
9 reunification.

10 (2) The department shall identify specific outcomes and
11 performance measures for this initiative, including, but not
12 limited to, the following:

13 (a) Percentage of children who were discharged from foster
14 care to reunification in less than 12 months from the date of the
15 latest removal from home.

16 (b) Median length of stay in months from the date of the
17 latest removal from home until the date of discharge to
18 reunification.

19 (c) Percentage of children who reentered foster care in less
20 than 12 months from the date of discharge to reunification.

21 (d) Percentage of children, who were victims of a
22 substantiated or indicated maltreatment allegation, who were not
23 victims of another substantiated or indicated maltreatment
24 allegation within a 6-month period from the date of discharge to
25 reunification.

26 (e) Measurable effects of this program expansion on reducing
27 the rate of children who live in families with incomes below the

1 federal poverty level.

2 (3) The projects will be carried out through contracts with
3 private and not-for-profit vendors to expand the parent partner
4 program and family reunification program to additional counties
5 throughout the state.

6 Sec. 1910. From the funds appropriated in part 1 for drinking
7 water declaration of emergency, the department shall allocate funds
8 to address needs in a city in which a declaration of emergency was
9 issued on January 5, 2016 because of drinking water contamination.
10 These funds may support, but are not limited to, the following
11 activities:

12 (a) Emergency nutrition assistance, nutritional and community
13 education, food bank resources, food inspections.

14 (b) Epidemiological analysis and case management of
15 individuals at risk of elevated blood lead levels.

16 (c) Support for child and adolescent health centers,
17 children's health care access program and pathways to potential
18 programming.

19 (d) Nursing services, evidence-based home visiting programs,
20 intensive services and outreach for children exposed to lead
21 coordinated through local community mental health organizations.

22 (e) Department field operations costs.

23 (f) Assessment of potential linkages to other diseases.

24 Sec. 1911. From the funds appropriated in part 1 for opiate
25 prevention pilot, the department shall develop a pilot program to
26 develop a genomic based test to predict opioid response and abuse.
27 The pilot program shall be operated by Western Michigan University

1 Homer Stryker MD School of Medicine and shall identify relevant
2 biomarkers that predict risk of opioid abuse and overdose by
3 analyzing archived blood samples from opiate overdose cases. The
4 pilot program shall utilize a custom screening panel developed by a
5 genomics lab that is certified under the clinical laboratory
6 improvement amendments of 1988, Public Law 100-578, with an
7 existing statewide capacity. The genomics lab selected by the
8 department will conduct the tests of the blood samples using the
9 customized screening panel. Archived blood samples from multiple
10 counties in Michigan shall be analyzed. The results of the pilot
11 program shall be presented to the department, the senate and house
12 appropriations subcommittees on the department budget, and the
13 senate and house fiscal agencies by June 1 of the current fiscal
14 year.

15 Sec. 1912. From the funds appropriated in part 1 for mobile
16 electronic service verification study, the department shall
17 allocate \$25,000.00 to commission a study to review the outcomes
18 and performance improvements of developing and piloting a mobile
19 electronic service verification solution for home help services
20 that shall include biometric identity verification to create
21 administrative efficiencies, reduce error, and minimize fraud.

22 PART 2A
23 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
24 FOR FISCAL YEAR 2017-2018
25 GENERAL SECTIONS

House Bill No. 5294 as amended April 27, 2016

1	Federal revenues:	
2	Total federal revenues.....	2,000,000
3	Special revenue funds:	
4	Total local revenues.....	0
5	Total private revenues.....	0
6	Total other state restricted revenues.....	63,399,600
7	State general fund/general purpose.....	[\$ 200,000]
8	State general fund/general purpose schedule:	
9	Ongoing state general fund/general	
10	purpose.....	[200,000]
11	One-time state general fund/general	
12	purpose.....	0
13	Sec. 102. DEPARTMENT SERVICES	
14	Full-time equated unclassified positions.....	6.0
15	Full-time equated classified positions.....	22.5
16	Unclassified salaries--6.0 FTE positions.....	\$ 746,500
17	Executive director programs--3.5 FTE positions.....	[1,109,200]
18	Department services--19.0 FTE positions.....	3,730,700
19	Property management.....	1,175,700
20	Worker's compensation.....	5,200
21	Administrative hearings.....	182,500
22	Information technology services and projects.....	<u>2,216,100</u>
23	GROSS APPROPRIATION.....	[\$ 9,165,900]
24	Appropriated from:	
25	Special revenue funds:	
26	Bank fees.....	801,600
27	Captive insurance regulatory and supervision fund....	3,900

House Bill No. 5294 as amended April 27, 2016

1	Consumer finance fees.....		355,800
2	Credit union fees.....		1,056,800
3	Deferred presentment service transaction fees.....		469,900
4	Insurance bureau fund.....		2,829,300
5	Insurance continuing education fund.....		90,500
6	Insurance licensing and regulation fees.....		2,537,300
7	MBLSLA fund.....		819,600
8	Multiple employer welfare arrangement.....		1,200
9	State general fund/general purpose.....	[\$	200,000]
10	Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
11	Full-time equated classified positions.....	314.0	
12	Insurance evaluation--54.0 FTE positions.....		\$ 12,908,900
13	Insurance rates and forms--30.0 FTE positions.....		5,942,500
14	Financial institutions evaluation--132.0 FTE positions		24,212,800
15	Regulatory compliance, market conduct, and licensing--		
16	34.0 FTE positions		5,482,000
17	Consumer services and protection--64.0 FTE positions .		<u>8,595,100</u>
18	GROSS APPROPRIATION.....	\$	57,141,300
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG-LARA, for debt management.....		707,600
22	Federal revenues:		
23	Federal revenues.....		2,000,000
24	Special revenue funds:		
25	Bank fees.....		6,018,100
26	Captive insurance regulatory and supervision fund....		282,900
27	Consumer finance fees.....		3,061,000

House Bill No. 5294 as amended April 27, 2016

1	Credit union fees.....	7,968,800
2	Deferred presentment service transaction fees.....	3,293,200
3	Insurance bureau fund.....	20,988,400
4	Insurance continuing education fund.....	995,000
5	Insurance licensing and regulation fees.....	6,004,500
6	MBLSLA fund.....	5,540,100
7	Multiple employer welfare arrangement.....	281,700
8	State general fund/general purpose.....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is **[\$63,599,600.00]** and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$0.

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

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

(a) "Department" means the department of insurance and financial services.

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

(c) "Fiscal agencies" means Michigan house fiscal agency and

1 Michigan senate fiscal agency.

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

3 (e) "IDG" means interdepartmental grant.

4 (f) "LARA" means the department of licensing and regulatory
5 affairs.

6 (g) "MBLSLA fund" means the restricted account established
7 under section 8 of the mortgage brokers, lenders, and servicers
8 licensing act, 1987 PA 173, MCL 445.1658.

9 (h) "Subcommittees" means the subcommittees of the house and
10 senate appropriations committees with jurisdiction over the budget
11 for the department.

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

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

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

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

17 (a) The dates of each travel occurrence.

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

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

1 outside services that the attorney general authorizes.

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

10 Sec. 210. (1) In addition to the funds appropriated under part
11 1, there is appropriated an amount not to exceed \$1,000,000.00 for
12 federal contingency funds.

13 (2) In addition to the funds appropriated under part 1, there
14 is appropriated an amount not to exceed \$5,000,000.00 for state
15 restricted contingency funds.

16 (3) Funds appropriated under this section are not available
17 for expenditure until they have been transferred to another line
18 item in part 1 under section 393(2) of the management and budget
19 act, 1984 PA 431, MCL 18.1393.

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

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 Sec. 212. Within 14 days after the release of the executive
6 budget recommendation, the department shall cooperate with the
7 state budget office to provide the senate and house appropriations
8 chairs, the subcommittees chairs, and the fiscal agencies with an
9 annual report on estimated state restricted fund balances, state
10 restricted fund projected revenues, and state restricted fund
11 expenditures for the immediately preceding and current fiscal
12 years.

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

17 Sec. 214. Total authorized appropriations from all sources
18 under part 1 for legacy costs for the fiscal year ending September
19 30, 2017 are \$10,214,700.00. From this amount, total agency
20 appropriations for pension-related legacy costs are estimated at
21 \$5,663,800.00. Total agency appropriations for retiree health care
22 legacy costs are estimated at \$4,550,900.00.

23 Sec. 215. Unless prohibited by law, the department may accept
24 credit card or other electronic means of payment for licenses,
25 fees, or permits.

26 Sec. 216. In addition to the metrics required under section
27 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for

1 each new program or program enhancement for which funds in excess
2 of \$500,000.00 are appropriated in part 1, the department shall
3 provide not later than November 1 a list of program-specific
4 metrics intended to measure its performance based on a return on
5 taxpayer investment. The department shall deliver the program-
6 specific metrics to members of the senate and house subcommittees
7 that have subject matter jurisdiction for this budget, fiscal
8 agencies, and the state budget director. The department shall
9 provide an update on its progress in tracking program-specific
10 metrics and the status of program success at an appropriations
11 subcommittee meeting called for by the subcommittee chair.

12 Sec. 217. The department and agencies receiving appropriations
13 under this part and part 1 shall receive and retain copies of all
14 reports funded from appropriations in this part and part 1. Federal
15 and state guidelines for short-term and long-term retention of
16 records shall be followed. The department may electronically retain
17 copies or reports unless otherwise required by federal and state
18 guidelines.

19 Sec. 218. The department shall not take disciplinary action
20 against an employee for communicating with a member of the
21 legislature or his or her staff.

22 Sec. 219. The department shall not develop or produce any
23 television or radio productions.

24 Sec. 220. The department, in conjunction with the department
25 of health and human services, shall maintain an accounting
26 structure within the Michigan administrative information network
27 that will allow expenditures associated with the administration of

House Bill No. 5294 as amended April 27, 2016

1 the Healthy Michigan plan to be identified. By October 1, the
 2 department shall provide the state budget office and the fiscal
 3 agencies with the relevant accounting structure and associated
 4 business objects script and report that group's administrative
 5 costs.

6 Sec. 221. [Up to \$150,000.00] appropriated from the general fund
 7 under
 8 part 1 for executive director program may only be expended to
 9 comply with reporting requirements regarding the Healthy Michigan
 10 plan under section 105d(9) of the social welfare act, 1939 PA 280,
 11 MCL 400.105d.

[Sec. 222. Up to \$50,000.00 appropriated from the general fund
 under part 1 for executive director program shall be expended to conduct
 or commission an actuarial study of the cost impact to consumers, health
 insurance carriers, and other private and public stakeholders if a
 mandate was enacted requiring public and private health insurance
 carriers to provide health benefit plan coverage for the diagnosis and
 treatment of specified eating disorders, including residential treatment
 and access to psychiatric and medical treatments.]

INSURANCE AND FINANCIAL SERVICES REGULATION

12 Sec. 301. The department shall provide a report to the
 13 legislature based on the annual rate filings from health insurance
 14 issuers that includes all of the following:

15 (a) The number that are approved by the department.

16 (b) The number that are denied by the department.

17 (c) The percentage of rate filings processed within the
 18 applicable statutory time frames.

19 (d) The average number of calendar days to process rate
 20 filings.

21 (e) An estimated percentage of this state's population that is
 22 without any form of health insurance coverage for more than 6
 23 months in any given calendar year.

24 Sec. 302. In addition to the funds appropriated under part 1,
 25 the funds collected by the department in connection with a
 26 conservatorship under section 32 of the mortgage brokers, lenders,

1 costs, federal fund match rates, economic factors, and available
2 revenue. These adjustments will be determined after the January
3 2017 consensus revenue estimating conference.

4 Sec. 1202. It is the intent of the legislature that the
5 department identify the amounts for normal retirement costs and
6 legacy retirement costs for fiscal year 2017-2018 for the line
7 items listed in part 1.

8 ARTICLE XII

9 JUDICIARY

10 PART 1

11 LINE-ITEM APPROPRIATIONS

12 Sec. 101. There is appropriated for the judiciary for the
13 fiscal year ending September 30, 2017, from the following funds:

14 **JUDICIARY**

15 APPROPRIATION SUMMARY

16	Full-time equated exempted positions.....	510.0	
17	GROSS APPROPRIATION.....		\$ 299,134,000
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		1,550,000
21	ADJUSTED GROSS APPROPRIATION.....		\$ 297,584,000
22	Federal revenues:		
23	Total federal revenues.....		6,433,500
24	Special revenue funds:		
25	Total local revenues.....		7,349,300

1	Total private revenues.....	957,800
2	Total other state restricted revenues.....	92,786,000
3	State general fund/general purpose.....	\$ 190,057,400
4	Sec. 102. SUPREME COURT	
5	Full-time equated exempted positions..... 246.0	
6	Supreme court administration--92.0 FTE positions.....	\$ 13,606,300
7	Judicial institute--13.0 FTE positions.....	1,800,800
8	State court administrative office--61.0 FTE positions	12,211,100
9	Judicial information systems--22.0 FTE positions.....	3,427,500
10	Direct trial court automation support--44.0 FTE	
11	positions.....	7,349,300
12	Foster care review board--10.0 FTE positions.....	1,305,700
13	Community dispute resolution--3.0 FTE positions.....	2,377,200
14	Other federal grants.....	275,100
15	Drug treatment courts.....	10,958,000
16	Mental health courts and diversion services--1.0 FTE	
17	position.....	5,337,700
18	Veterans courts.....	500,000
19	Swift and sure sanctions program.....	3,750,000
20	Next generation Michigan court system.....	<u>4,116,000</u>
21	GROSS APPROPRIATION.....	\$ 67,014,700
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of state police.....	1,500,000
25	IDG from department of corrections.....	50,000
26	Federal revenues:	
27	DOJ, drug court training and evaluation.....	300,000

1	DOT, National Highway Traffic Safety Administration ..	2,210,700
2	HHS, access and visitation grant	621,200
3	HHS, children's justice grant	233,000
4	HHS, court improvement project	1,309,700
5	HHS, title IV-D child support program	1,024,700
6	HHS, title IV-E foster care program	392,500
7	Other federal grant revenues	275,100
8	Special revenue funds:	
9	Local - user fees	7,349,300
10	Private	190,800
11	Private - interest on lawyers trust accounts	262,600
12	Private - state justice institute	420,200
13	Community dispute resolution fund	2,377,200
14	Court filing/motion fees	1,641,800
15	Law exam fees	649,700
16	Drug court fund	1,920,500
17	Miscellaneous revenue	273,300
18	Justice system fund	575,200
19	State court fund	382,800
20	State general fund/general purpose	\$ 43,054,400
21	Sec. 103. COURT OF APPEALS	
22	Full-time equated exempted positions	175.0
23	Court of appeals operations--175.0 FTE positions	\$ <u>23,102,700</u>
24	GROSS APPROPRIATION	\$ 23,102,700
25	Appropriated from:	
26	State general fund/general purpose	\$ 23,102,700
27	Sec. 104. BRANCHWIDE APPROPRIATIONS	

1	Full-time equated exempted positions.....	4.0	
2	Branchwide appropriations--4.0 FTE positions		\$ <u>8,745,300</u>
3	GROSS APPROPRIATION.....		\$ 8,745,300
4	Appropriated from:		
5	State general fund/general purpose		\$ 8,745,300
6	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
7	Full-time judges positions	592.0	
8	Supreme court justices' salaries--7.0 justices		\$ 1,152,300
9	Court of appeals judges' salaries--26.0 judges		4,014,100
10	District court judges' state base salaries--241.0		
11	judges		22,613,900
12	District court judicial salary standardization.....		11,008,100
13	Probate court judges' state base salaries--103.0		
14	judges		9,770,600
15	Probate court judicial salary standardization.....		4,669,600
16	Circuit court judges' state base salaries--215.0		
17	judges		20,481,400
18	Circuit court judicial salary standardization.....		9,796,400
19	Judges' retirement system defined contributions		4,526,500
20	OASI, social security.....		<u>5,733,000</u>
21	GROSS APPROPRIATION.....		\$ 93,765,900
22	Appropriated from:		
23	Special revenue funds:		
24	Court fee fund.....		2,988,100
25	State general fund/general purpose		\$ 90,777,800
26	Sec. 106. JUDICIAL AGENCIES		
27	Full-time equated exempted positions.....	7.0	

1	Judicial tenure commission--7.0 FTE positions	\$	<u>1,137,600</u>
2	GROSS APPROPRIATION.....	\$	1,137,600
3	Appropriated from:		
4	State general fund/general purpose.....	\$	1,137,600
5	Sec. 107. INDIGENT DEFENSE - CRIMINAL		
6	Full-time equated exempted positions..... 67.0		
7	Appellate public defender program--51.0 FTE positions	\$	7,704,500
8	Michigan indigent defense commission--16.0 FTE		
9	positions		<u>2,345,600</u>
10	GROSS APPROPRIATION.....	\$	10,050,100
11	Appropriated from:		
12	Federal revenues:		
13	Other federal grant revenues.....		66,600
14	Special revenue funds:		
15	Private - interest on lawyers trust accounts		84,200
16	Miscellaneous revenue.....		135,400
17	State general fund/general purpose.....	\$	9,763,900
18	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
19	Indigent civil legal assistance.....	\$	<u>7,937,000</u>
20	GROSS APPROPRIATION.....	\$	7,937,000
21	Appropriated from:		
22	Special revenue funds:		
23	State court fund.....		7,937,000
24	State general fund/general purpose.....	\$	0
25	Sec. 109. TRIAL COURT OPERATIONS		
26	Court equity fund reimbursements.....	\$	60,815,700
27	Judicial technology improvement fund.....		4,815,000

1	Drug case-flow program.....	250,000
2	Drunk driving case-flow program.....	3,300,000
3	Juror compensation reimbursement.....	6,600,000
4	Statewide e-file system.....	<u>8,500,000</u>
5	GROSS APPROPRIATION.....	\$ 84,280,700
6	Appropriated from:	
7	Special revenue funds:	
8	Court equity fund.....	50,440,000
9	Judicial technology improvement fund.....	4,815,000
10	Drug fund.....	250,000
11	Drunk driving fund.....	3,300,000
12	Juror compensation fund.....	6,600,000
13	Electronic filing fee fund.....	8,500,000
14	State general fund/general purpose.....	\$ 10,375,700
15	Sec. 110. ONE-TIME APPROPRIATIONS	
16	Full-time equated exempted positions..... 11.0	
17	Medication-assisted treatment pilot program.....	\$ 1,000,000
18	Expansion of problem solving courts.....	1,000,000
19	Compliance with <u>Montgomery v Louisiana</u> --11.0 FTE	
20	positions	<u>1,100,000</u>
21	GROSS APPROPRIATION.....	\$ 3,100,000
22	Appropriated from:	
23	State general fund/general purpose.....	\$ 3,100,000

24

PART 2

25

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

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GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$282,843,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$138,363,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office.....	\$	711,900
Drug treatment courts.....		11,658,000
Mental health courts and diversion services.....		5,222,800
Veterans courts.....		1,000,000
Swift and sure sanctions program.....		3,650,000
Next generation Michigan court system.....		4,116,000

TRIAL COURT OPERATIONS

Court equity fund reimbursements.....	\$	60,815,700
Judicial technology improvement fund.....		4,815,000
Drunk driving case-flow program.....		3,300,000
Drug case-flow program.....		250,000
Juror compensation reimbursement.....		6,600,000

JUSTICES' AND JUDGES' COMPENSATION

District court judicial salary standardization.....	\$	11,008,100
Probate court judges' state base salaries.....		9,770,600
Probate court judicial salary standardization.....		4,669,600

1	Circuit court judicial salary standardization.....	9,796,400
2	Grant to OASI contribution fund, employers share,	
3	social security	<u>979,000</u>
4	TOTAL.....	\$ 138,363,100

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

8 (2) Funds appropriated in part 1 to an entity within the
9 judicial branch shall not be expended or transferred to another
10 account without written approval of the authorized agent of the
11 judicial entity. If the authorized agent of the judicial entity
12 notifies the state budget director of its approval of an
13 expenditure or transfer, the state budget director shall
14 immediately make the expenditure or transfer. The authorized
15 judicial entity agent shall be designated by the chief justice of
16 the supreme court.

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

18 (a) "DOJ" means the United States Department of Justice.

19 (b) "DOT" means the United States Department of
20 Transportation.

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

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

24 (e) "IDG" means interdepartmental grant.

25 (f) "OASI" means old age survivor's insurance.

26 (g) "SADO" means the state appellate defender office.

27 (h) "Title IV-D" means the part of the federal social security

1 act, 42 USC 301 to 1397mm, pertaining to the child support
2 enforcement program.

3 (i) "Title IV-E" means the part of the federal social security
4 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

5 (j) "USSC" means the United States Supreme Court.

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

9 Sec. 208. The reporting requirements of this part shall be
10 completed with the approval of, and at the direction of, the
11 supreme court, except as otherwise provided in this part. The
12 judicial branch shall use the Internet to fulfill the reporting
13 requirements of this part. This may include transmission of reports
14 via electronic mail to the recipients identified for each reporting
15 requirement, or it may include placement of reports on an Internet
16 or Intranet site.

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

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

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

6 Sec. 215. Not later than January 1 of each year, the state
7 court administrative office shall prepare a report on out-of-state
8 travel listing all travel by judicial branch employees outside this
9 state in the immediately preceding fiscal year that was funded in
10 whole or in part with funds appropriated in the budget for the
11 judicial branch. The report shall be submitted to the senate and
12 house appropriations committees, the senate and house fiscal
13 agencies, and the state budget director. The report shall include
14 the following information:

15 (a) The dates of each travel occurrence.

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

21 Sec. 219. Not later than November 30, the state budget office
22 shall prepare and transmit a report that provides estimates of the
23 total general fund/general purpose appropriation lapses at the
24 close of the prior fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major program or program areas. The report shall be
27 transmitted to the chairpersons of the senate and house

1 appropriations committees and the senate and house fiscal agencies.

2 Sec. 221. From the funds appropriated in part 1, the judicial
3 branch shall maintain a searchable website accessible by the public
4 at no cost that includes all expenditures made by the judicial
5 branch within a fiscal year. The posting shall include the purpose
6 for which each expenditure is made. The judicial branch shall not
7 provide financial information on its website under this section if
8 doing so would violate a federal or state law, rule, regulation, or
9 guideline that establishes privacy or security standards applicable
10 to that financial information.

11 Sec. 222. Within 14 days after the release of the executive
12 budget recommendation, the judicial branch shall cooperate with the
13 state budget office to provide the chairpersons of the senate and
14 house appropriations committees, the chairpersons of the senate and
15 house appropriations subcommittees on judiciary, and the senate and
16 house fiscal agencies with an annual report on estimated state
17 restricted fund balances, state restricted fund projected revenues,
18 and state restricted fund expenditures for the prior 2 fiscal
19 years.

20 Sec. 223. The judiciary shall maintain, on a publicly
21 accessible website, a scorecard that identifies, tracks, and
22 regularly updates key metrics that are used to monitor and improve
23 the judiciary's performance.

24 Sec. 224. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2017 are \$14,104,600.00. From this amount, total appropriations
27 for judiciary pension-related legacy costs are estimated at

1 \$7,820,600.00. Total appropriations for judiciary retiree health
2 care legacy costs are estimated at \$6,284,000.00.

3 Sec. 225. In addition to the metrics required under section
4 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
5 each new program or program enhancement for which funds in excess
6 of \$500,000.00 are appropriated in part 1, the judiciary shall
7 provide not later than November 1 a list of program-specific
8 metrics intended to measure its performance based on a return on
9 taxpayer investment. The judiciary shall deliver the program-
10 specific metrics to members of the senate and house appropriations
11 subcommittees on judiciary, to the senate and house fiscal
12 agencies, and to the state budget director. The judiciary shall
13 provide an update on its progress in tracking program-specific
14 metrics and the status of program success at an appropriations
15 subcommittee meeting called for by the subcommittee chair.

16 **JUDICIAL BRANCH**

17 Sec. 301. From the funds appropriated in part 1, the direct
18 trial court automation support program of the state court
19 administrative office shall recover direct and overhead costs from
20 trial courts by charging for services rendered. The fee shall cover
21 the actual costs incurred to the direct trial court automation
22 support program in providing the service, including development of
23 future versions of case management systems.

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

1 Sec. 303. Of the amount appropriated in part 1 for the
2 judicial branch, \$711,900.00 is allocated for circuit court
3 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
4 costs associated with the court of claims.

5 Sec. 307. From the funds appropriated in part 1 for mental
6 health courts and diversion services, \$1,730,000.00 is intended to
7 address the recommendations of the mental health diversion council.

8 Sec. 308. If sufficient funds are not available from the court
9 fee fund to pay judges' compensation, the difference between the
10 appropriated amount from that fund for judges' compensation and the
11 actual amount available after the amount appropriated for trial
12 court reimbursement is made shall be appropriated from the state
13 general fund for judges' compensation. If an appropriation is made
14 under this section, the state court administrative office shall
15 notify, within 14 days of the appropriation, the senate and house
16 appropriations committees, the senate and house appropriations
17 subcommittees on judiciary, the senate and house fiscal agencies,
18 and the state budget office.

19 Sec. 309. By April 1, the state court administrative office
20 shall provide a report on drug treatment, mental health, and
21 veterans court programs in this state. The report shall include
22 information on the number of each type of program that has been
23 established, the number of program participants in each
24 jurisdiction, and the impact of the programs on offender criminal
25 involvement and recidivism. The report shall be submitted to the
26 senate and house appropriations subcommittees on judiciary, the
27 senate and house fiscal agencies, and the state budget director.

1 Sec. 311. (1) The funds appropriated in part 1 for drug
2 treatment courts as that term is defined in section 1060 of the
3 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
4 administered by the state court administrative office to operate
5 drug treatment court programs. A drug treatment court shall be
6 responsible for handling cases involving substance abusing
7 nonviolent offenders through comprehensive supervision, testing,
8 treatment services, and immediate sanctions and incentives. A drug
9 treatment court shall use all available county and state personnel
10 involved in the disposition of cases including, but not limited to,
11 parole and probation agents, prosecuting attorneys, defense
12 attorneys, and community corrections providers. The funds may be
13 used in connection with other federal, state, and local funding
14 sources.

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

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

22 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
23 grant funding as an interdepartmental grant from the department of
24 state police to be used for expansion of drug treatment courts, to
25 assist in avoiding prison bed space growth for nonviolent offenders
26 in collaboration with the department of corrections.

27 Sec. 312. From the funds appropriated in part 1, the state

1 court administrator shall produce a statistical report regarding
2 the implementation of the parental rights restoration act, 1990 PA
3 211, MCL 722.901 to 722.908, as it pertains to minors seeking
4 court-issued waivers of parental consent. The state court
5 administrative office shall report the total number of petitions
6 filed and the total number of petitions granted under that act.

7 Sec. 317. Funds appropriated in part 1 shall not be used for
8 the permanent assignment of state-owned vehicles to justices or
9 judges or any other judicial branch employee. This section does not
10 preclude the use of state-owned motor pool vehicles for state
11 business in accordance with approved guidelines.

12 Sec. 320. (1) From the funds appropriated in part 1 for the
13 swift and sure sanctions program, created under section 3 of
14 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
15 771A.3, the state court administrative office shall administer a
16 program to distribute grants to qualifying courts in accordance
17 with the objectives and requirements of the probation swift and
18 sure sanctions act, chapter XIA of the code of criminal procedure,
19 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$3,750,000.00 designated
20 for the program, not more than \$100,000.00 shall be available to
21 the state court administrative office to pay for employee costs
22 associated with the administration of the program funds. Courts
23 interested in participating in the swift and sure sanctions program
24 may apply to the state court administrative office for a portion of
25 the funds appropriated in part 1 under this section.

26 (2) By April 1, the state court administrative office shall
27 provide a report on the courts that receive funding under the swift

1 and sure sanctions program described in subsection (1) to the
2 senate and house appropriations subcommittees on judiciary, the
3 senate and house fiscal agencies, and the state budget director.

4 The report shall include all of the following:

5 (a) The number of offenders who participate in the program.

6 (b) The criminal history of offenders who participate in the
7 program.

8 (c) The recidivism rate of offenders who participate in the
9 program, including the rate of return to jail, prison, or both.

10 (d) A detailed description of the establishment and parameters
11 of the program.

12 (3) As used in this section, "program" means a swift and sure
13 sanctions program described in subsection (1).

14 Sec. 321. From the funds appropriated in part 1, the judicial
15 branch shall support a statewide legal self-help Internet website
16 and local nonprofit self-help centers that use the statewide
17 website to provide assistance to individuals representing
18 themselves in civil legal proceedings. The state court
19 administrative office shall summarize the costs of maintaining the
20 website, provide statistics on the number of people visiting the
21 website, and provide information on content usage, form completion,
22 and user feedback. By March 1, the state court administrative
23 office shall report this information for the preceding fiscal year
24 to the senate and house appropriations subcommittees on judiciary,
25 the senate and house fiscal agencies, and the state budget
26 director.

27 Sec. 322. If Byrne formula grant funding is awarded to the

1 state appellate defender, the state appellate defender office may
2 receive and expend Byrne formula grant funds in an amount not to
3 exceed \$250,000.00 as an interdepartmental grant from the
4 department of state police. If the appellate defender appointed
5 under section 3 of the appellate defender act, 1978 PA 620, MCL
6 780.713, receives federal grant funding from the United States
7 Department of Justice in excess of the amount appropriated in part
8 1, the office of appellate defender may receive and expend grant
9 funds in an amount not to exceed \$300,000.00 as other federal
10 grants.

11 Sec. 322a. If Byrne formula grant funding is awarded to the
12 Michigan indigent defense commission, the Michigan indigent defense
13 commission may receive and expend Byrne formula grant funds in an
14 amount not to exceed \$250,000.00 as an interdepartmental grant from
15 the department of state police. The Michigan indigent defense
16 commission created under section 5 of the Michigan indigent defense
17 commission act, 2013 PA 93, MCL 780.985, may receive and expend
18 federal grant funding from the United States Department of Justice
19 in an amount not to exceed \$300,000.00 as other federal grants.

20 Sec. 324. From the funds appropriated in part 1, the Michigan
21 indigent defense commission shall submit a report by September 30
22 to the senate and house appropriations subcommittees on judiciary,
23 the senate and house fiscal agencies, and the state budget director
24 on the incremental costs associated with the standard development
25 process, the compliance plan process, and the collection of data
26 from all indigent defense systems and attorneys providing indigent
27 defense. Particular emphasis shall be placed on those costs that

1 may be avoided after standards are developed and compliance plans
2 are in place.

3 Sec. 325. (1) From the funds appropriated in part 1 for the
4 Michigan indigent defense commission, the commission shall increase
5 the total number of staff by 10 FTE positions and begin bringing
6 the Michigan criminal defense system into compliance with the right
7 to counsel requirements of the Sixth Amendment to the United States
8 Constitution and section 20 of article I of the state constitution
9 of 1963. The purpose of this program expansion is to implement
10 minimum standards, rules, and procedures to guarantee the right of
11 indigent defendants to the assistance of proficient counsel, to
12 collect comprehensive data from all indigent defense systems and
13 attorneys providing indigent defense, and to monitor and audit
14 county compliance plans.

15 (2) The commission shall identify specific outcomes and
16 performance measures for this initiative based on the minimum
17 standards approved by the Michigan supreme court, including, but
18 not limited to, the following:

19 (a) Monitoring the success of approved minimum standards,
20 including increased training and education of trial-level defense
21 attorneys, prompt meetings between attorneys and clients, increased
22 access to and use of experts and investigators, and increased use
23 of counsel at first appearance.

24 (b) The commission shall collect data on the standards
25 approved by the Michigan supreme court and shall work to identify
26 metrics associated with the approved standards.

27 (c) Monitoring the number of first-time offenders sentenced to

1 serve prison time within the department of corrections to determine
2 if there is a measurable decline as a result of the standards
3 approved by the Michigan supreme court, including training and
4 education requirements, required meetings between client and
5 counsel, increased use of experts and investigators, and the
6 provision of attorneys at first appearance.

7 **ONE-TIME APPROPRIATIONS**

8 Sec. 401. From the funds appropriated in part 1 for drug
9 treatment courts, the judiciary shall increase funding available
10 for establishing problem-solving courts. The purpose of this
11 program expansion is to increase the number of participants and to
12 decrease recidivism rates.

13 Sec. 402. (1) The state appellate defender office attorneys
14 and support staff shall increase by 11 FTE positions to ensure
15 Michigan compliance with Montgomery v Louisiana, 577 US _____
16 (2016). The purpose of the program expansion is to ensure
17 competent, resourced, and supervised counsel in cases involving the
18 resentencing of juvenile lifers. The representation by SADO counsel
19 will create opportunities for release, saving prison costs for the
20 state.

21 (2) From the funds appropriated in part 1, the state appellate
22 defender office shall submit a report by September 30 to the senate
23 and house appropriations subcommittees on judiciary, the senate and
24 house fiscal agencies, and the state budget director on the number
25 of juvenile lifer cases investigated and prepared by the state
26 appellate defender office. The report shall include a calculation

1 of hours spent and focus on incremental costs associated with
2 investigating and conducting a robust examination of each case,
3 with particular emphasis on those costs that may be avoided after
4 the cases have been disposed.

5 PART 2A

6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

7 FOR FISCAL YEAR 2017-2018

8 GENERAL SECTIONS

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

18 ARTICLE XIII

19 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

20 PART 1

21 LINE-ITEM APPROPRIATIONS

22 FOR FISCAL YEAR 2016-2017

23 Sec. 101. The amounts listed in this part are appropriated for

House Bill No. 5294 as amended April 27, 2016

1 the department of licensing and regulatory affairs, subject to the
 2 conditions set forth in part 2, for the fiscal year ending
 3 September 30, 2017, from the funds identified in this part. The
 4 following is a summary of the appropriations in this part:

5 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions.....	57.5	
8	Full-time equated classified positions.....	[2,169.3]	
9	GROSS APPROPRIATION.....		\$ 421,651,200
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		46,923,800
13	ADJUSTED GROSS APPROPRIATION.....		\$ 374,727,400
14	Federal revenues:		
15	Total federal revenues.....		63,818,100
16	Special revenue funds:		
17	Total local revenues.....		251,600
18	Total private revenues.....		111,800
19	Total other state restricted revenues.....		268,232,700
20	State general fund/general purpose.....		\$ 42,313,200
21	State general fund/general purpose schedule:		
22	Ongoing state general fund/general		
23	purpose	39,843,200	
24	One-time state general fund/general		
25	purpose	2,470,000	
26	Sec. 102. DEPARTMENTAL ADMINISTRATION		
27	Full-time equated unclassified positions.....	57.5	

1	Full-time equated classified positions.....	115.0	
2	Unclassified salaries--57.5 FTE positions.....		\$ 4,559,800
3	Executive director programs--24.0 FTE positions.....		3,239,700
4	Financial and administrative services--74.0 FTE		
5	positions		7,918,400
6	Office of regulatory reinvention--4.0 FTE positions ..		495,500
7	Office of reinventing performance in Michigan--6.0 FTE		
8	positions		715,900
9	Office for new Americans--4.0 FTE positions.....		465,600
10	FOIA coordination--2.0 FTE positions.....		308,200
11	Local community stabilization authority--1.0 FTE		
12	position		151,600
13	Property management.....		11,852,400
14	Information technology services and projects.....		21,424,300
15	Worker's compensation.....		<u>465,300</u>
16	GROSS APPROPRIATION.....		\$ 51,596,700
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG-DIFS, accounting services.....		150,000
20	IDG-TED, unemployment hearings.....		568,900
21	Federal revenues:		
22	DED - vocational rehabilitation and independent living		2,121,500
23	DOE - heating oil and propane.....		25,000
24	DOL - occupational safety and health.....		1,001,100
25	EPA - underground storage tanks.....		128,800
26	HHS - Medicaid, certification of health care providers		
27	and suppliers		724,600

1	HHS - Medicare, certification of health care providers	
2	and suppliers	1,190,400
3	Special revenue funds:	
4	Local stabilization authority contract	151,600
5	Aboveground storage tank fees	146,500
6	Accountancy enforcement fund	67,100
7	Asbestos abatement fund	181,400
8	Boiler inspection fund	640,300
9	Builder enforcement fund	99,500
10	Construction code fund	1,660,600
11	Controlled substances electronic monitoring and	
12	antidiversion fund	221,600
13	Corporation fees	8,673,000
14	Elevator fees	692,400
15	Fire alarm fees	5,400
16	Fire safety standard and enforcement fund	1,100
17	Fire service fees	778,300
18	Fireworks safety fund	94,100
19	Health professions regulatory fund	2,715,000
20	Health systems fees	451,700
21	Licensing and regulation fund	3,092,900
22	Liquor license revenue	300,000
23	Liquor purchase revolving fund	7,121,800
24	Michigan medical marihuana fund	933,500
25	Michigan unarmed combat fund	12,700
26	Mobile home code fund	613,100
27	Nurse professional fund	37,700

House Bill No. 5294 as amended April 27, 2016

1	Private occupational school license fees		165,700
2	Property development fees		6,100
3	Public utility assessments		4,058,100
4	Radiological health fees		303,600
5	Real estate appraiser education fund		6,300
6	Real estate education fund		15,200
7	Real estate enforcement fund		10,100
8	Restructuring mechanism assessments		51,000
9	Retired engineers technical assistance program fund ..		7,000
10	Safety education and training fund		1,429,300
11	Second injury fund		402,300
12	Securities fees		4,663,700
13	Securities investor education and training fund		14,500
14	Security business fund		3,200
15	Self-insurers security fund		261,700
16	Silicosis and dust disease fund		179,700
17	Survey and remonumentation fund		142,200
18	Tax tribunal fund		1,656,900
19	Underground storage tank fees		356,600
20	Utility consumer representation fund		54,000
21	Worker's compensation administrative revolving fund ..		101,900
22	State general fund/general purpose	\$	3,106,000
23	Sec. 103. ENERGY AND UTILITY PROGRAMS		
24	Full-time equated classified positions	[184.0]	
25	Michigan agency for energy--53.0 FTE positions	\$	12,251,600
26	Public service commission-- [131.0 FTE positions]		<u>22,058,600</u>
27	GROSS APPROPRIATION	\$	34,310,200

1	Appropriated from:		
2	Federal revenues:		
3	DOE - heating oil and propane.....		3,775,000
4	DOT - gas pipeline safety.....		1,445,500
5	EPA - pollution prevention.....		84,000
6	Special revenue funds:		
7	Public utility assessments.....		27,172,300
8	Restructuring mechanism assessments.....		607,200
9	Retired engineers technical assistance program fund..		669,600
10	State general fund/general purpose.....	\$	556,600
11	Sec. 104. LIQUOR CONTROL COMMISSION		
12	Full-time equated classified positions.....	143.0	
13	Management support services--28.0 FTE positions.....		\$ 4,419,800
14	Liquor licensing and enforcement--115.0 FTE positions		<u>15,320,100</u>
15	GROSS APPROPRIATION.....		\$ 19,739,900
16	Appropriated from:		
17	Special revenue funds:		
18	Direct shipper enforcement revolving fund.....		126,800
19	Liquor license fee enhancement fund.....		76,400
20	Liquor license revenue.....		7,416,100
21	Liquor purchase revolving fund.....		12,120,600
22	State general fund/general purpose.....	\$	0
23	Sec. 105. OCCUPATIONAL REGULATION		
24	Full-time equated classified positions.....	1,029.9	
25	Bureau of fire services--73.0 FTE positions.....		\$ 10,293,500
26	Bureau of construction codes--179.0 FTE positions....		22,431,800
27	Corporations, securities, and commercial licensing		

1	bureau--118.0 FTE positions	15,528,300
2	Bureau of professional licensing--210.0 FTE positions	40,182,300
3	Bureau of community and health services--429.9 FTE	
4	positions	61,112,000
5	Medical marihuana program--20.0 FTE positions	<u>4,253,300</u>
6	GROSS APPROPRIATION.....	\$ 153,801,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG-MDE, child care licensing.....	16,626,500
10	Federal revenues:	
11	DHS - fire training systems.....	28,000
12	DOT - hazardous materials training and planning.....	60,000
13	EPA - underground storage tanks.....	800,000
14	HHS - Medicaid, certification of health care providers	
15	and suppliers	9,191,700
16	HHS - Medicare, certification of health care providers	
17	and suppliers	12,352,500
18	Special revenue funds:	
19	Aboveground storage tank fees.....	455,900
20	Accountancy enforcement fund.....	408,300
21	Boiler inspection fund.....	3,819,200
22	Builder enforcement fund.....	484,300
23	Construction code fund.....	7,743,900
24	Controlled substances electronic monitoring and	
25	antidiversion fund	1,847,700
26	Corporation fees.....	7,014,000
27	Distance education fund.....	300,000

1	Elevator fees.....	4,858,300
2	Fire alarm fees.....	125,400
3	Fire safety standard and enforcement fund.....	40,000
4	Fire service fees.....	2,500,200
5	Fireworks safety fund.....	696,200
6	Health professions regulatory fund.....	23,805,900
7	Health systems fees.....	3,702,100
8	Licensing and regulation fund.....	11,540,800
9	Liquor purchase revolving fund.....	143,200
10	Michigan medical marihuana fund.....	4,253,300
11	Michigan unarmed combat fund.....	145,000
12	Mobile home code fund.....	3,017,100
13	Nurse professional fund.....	1,963,800
14	Nursing home administrative penalties.....	202,300
15	Private occupational school license fees.....	706,300
16	Property development fees.....	318,100
17	Real estate appraiser education fund.....	63,300
18	Real estate education fund.....	344,600
19	Real estate enforcement fund.....	700,500
20	Securities fees.....	4,986,700
21	Securities investor education and training fund.....	501,200
22	Security business fund.....	340,100
23	Survey and remonumentation fund.....	850,100
24	Underground storage tank fees.....	2,561,100
25	State general fund/general purpose.....	\$ 24,303,600
26	Sec. 106. EMPLOYMENT SERVICES	
27	Full-time equated classified positions.....	464.4

1	Workers' compensation agency--79.0 FTE positions	\$	13,072,400
2	Compensation supplement fund.....		1,820,000
3	First responders presumed coverage fund.....		3,000,000
4	Bureau of services for blind persons--113.0 FTE		
5	positions		24,639,400
6	Bureau of employment relations--22.0 FTE positions ...		4,198,900
7	Michigan occupational safety and health		
8	administration--197.0 FTE positions.....		29,052,100
9	Radiation safety section--21.4 FTE positions		3,231,800
10	Wage and hour program--32.0 FTE positions		<u>3,728,100</u>
11	GROSS APPROPRIATION.....	\$	82,742,700
12	Appropriated from:		
13	Federal revenues:		
14	DED - vocational rehabilitation and independent living		18,437,600
15	DOL - occupational safety and health.....		11,785,200
16	HHS - mammography quality standards.....		513,300
17	Special revenue funds:		
18	Local revenues - blind services.....		100,000
19	Private revenues - blind services.....		111,800
20	Asbestos abatement fund.....		1,027,500
21	Corporation fees.....		9,432,400
22	Forest development fund.....		3,000,000
23	Michigan business enterprise program fund.....		400,000
24	Radiological health fees.....		2,718,500
25	Safety education and training fund.....		9,728,600
26	Second injury fund.....		2,589,400
27	Securities fees.....		8,634,900

1	Self-insurers security fund.....		1,562,500
2	Silicosis and dust disease fund.....		1,088,300
3	Worker's compensation administrative revolving fund..		1,652,900
4	State general fund/general purpose.....	\$	9,959,800
5	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM		
6	Full-time equated classified positions.....	233.0	
7	Michigan administrative hearing system--215.0 FTE		
8	positions	\$	37,948,700
9	Michigan compensation appellate commission--18.0 FTE		
10	positions		<u>4,606,100</u>
11	GROSS APPROPRIATION.....	\$	42,554,800
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG revenues - administrative hearings and rules		25,309,900
15	IDG-TED, unemployment hearings.....		4,268,500
16	Federal revenues:		
17	Federal revenues - administrative hearings and rules .		153,900
18	Special revenue funds:		
19	Corporation fees.....		202,700
20	State restricted revenues - administrative hearings		
21	and rules		11,793,400
22	Worker's compensation administrative revolving fund..		134,900
23	State general fund/general purpose.....	\$	691,500
24	Sec. 108. DEPARTMENT GRANTS		
25	Fire protection grants.....	\$	12,673,900
26	Firefighter training grants.....		1,500,000
27	Liquor law enforcement grants.....		7,200,000

1	Medical marihuana operation and oversight grants	3,000,000
2	Remonumentation grants	7,300,000
3	Subregional libraries state aid	451,800
4	Utility consumer representation	<u>750,000</u>
5	GROSS APPROPRIATION	\$ 32,875,700
6	Appropriated from:	
7	Special revenue funds:	
8	Fire protection fund	8,500,000
9	Fireworks safety fund	1,500,000
10	Liquor license revenue	7,200,000
11	Liquor purchase revolving fund	3,400,000
12	Michigan medical marihuana fund	3,000,000
13	Survey and remonumentation fund	7,300,000
14	Utility consumer representation fund	750,000
15	State general fund/general purpose	\$ 1,225,700
16	Sec. 109. ONE-TIME BASIS APPROPRIATIONS	
17	Michigan automated prescription system upgrades	\$ 2,470,000
18	Liquor control commission IT upgrades	<u>1,560,000</u>
19	GROSS APPROPRIATION	\$ 4,030,000
20	Appropriated from:	
21	Special revenue funds:	
22	Liquor purchase revolving fund	1,560,000
23	State general fund/general purpose	\$ 2,470,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

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GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$310,545,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$32,125,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Fire protection grants.....	\$	12,673,900
Firefighter training grants.....		1,500,000
Liquor law enforcement grants.....		7,200,000
Medical marihuana operation and oversight grants.....		3,000,000
Remonumentation grants.....		7,300,000
Subregional libraries state aid.....		<u>451,800</u>
Total department of licensing and regulatory affairs	\$	32,125,700

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

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

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

(b) "Department" means the department of licensing and regulatory affairs.

(c) "DHS" means the United States Department of Homeland Security.

1 (d) "DIFS" means the department of insurance and financial
2 services.

3 (e) "Director" means the director of the department.

4 (f) "DOE" means the United States Department of Energy.

5 (g) "DOL" means the United States Department of Labor.

6 (h) "DOT" means the United States Department of
7 Transportation.

8 (i) "EPA" means the United States Environmental Protection
9 Agency.

10 (j) "Fiscal agencies" means Michigan house fiscal agency and
11 Michigan senate fiscal agency.

12 (k) "FOIA" means the freedom of information act, 1976 PA 442,
13 MCL 15.231 to 15.246.

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

15 (m) "HHS" means the United States Department of Health and
16 Human Services.

17 (n) "IDG" means interdepartmental grant.

18 (o) "IT" means information technology.

19 (p) "MDE" means the Michigan department of education.

20 (q) "Subcommittees" means the subcommittees of the house and
21 senate appropriations committees with jurisdiction over the budget
22 for the department.

23 (r) "TED" means the Michigan department of talent and economic
24 development.

25 Sec. 204. The departments and agencies receiving
26 appropriations in this part and part 1 shall use the Internet to
27 fulfill the reporting requirements of this part. This requirement

1 may include transmission of reports via electronic mail to the
2 recipients identified for each reporting requirement, or it may
3 include placement of reports on an Internet or Intranet site.

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

14 Sec. 206. The director shall take all reasonable steps to
15 ensure businesses in deprived and depressed communities compete for
16 and perform contracts to provide services or supplies, or both. The
17 director shall strongly encourage firms with which the department
18 contracts to subcontract with certified businesses in depressed and
19 deprived communities for services, supplies, or both.

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

1 fiscal agencies, and the state budget director. The report shall
2 include the following information:

3 (a) The dates of each travel occurrence.

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

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

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

23 Sec. 210. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$10,000,000.00 for
25 federal contingency funds.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$25,000,000.00 for state

1 restricted contingency funds.

2 (3) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$1,000,000.00 for local
4 contingency funds.

5 (4) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$500,000.00 for private
7 contingency funds.

8 (5) Funds appropriated pursuant to this section are not
9 available for expenditure until they have been transferred to
10 another line item in part 1 under section 393(2) of the management
11 and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

23 (e) Job specifications and wage rates.

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

1 annual report on estimated state restricted fund balances, state
2 restricted fund projected revenues, and state restricted fund
3 expenditures for the preceding and current fiscal years.

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

8 Sec. 214. Total authorized appropriations from all sources
9 under part 1 for legacy costs for the fiscal year ending September
10 30, 2017 are \$53,627,900.00. From this amount, total agency
11 appropriations for pension-related legacy costs are estimated at
12 \$29,735,200.00. Total agency appropriations for retiree health care
13 legacy costs are estimated at \$23,892,700.00.

14 Sec. 215. Unless prohibited by law, the department may accept
15 credit card or other electronic means of payment for licenses,
16 fees, or permits.

17 Sec. 216. In addition to the metrics required under section
18 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
19 each new program or program enhancement for which funds in excess
20 of \$500,000.00 are appropriated in part 1, the department shall
21 provide, not later than November 1, a list of program-specific
22 metrics intended to measure its performance based on a return on
23 taxpayer investment. The department shall deliver the program-
24 specific metrics to members of the senate and house subcommittees
25 that have subject matter jurisdiction for this budget, fiscal
26 agencies, and the state budget director. The department shall
27 provide an update on its progress in tracking program-specific

1 metrics and the status of program success at an appropriations
2 subcommittee meeting called for by the subcommittee chairperson.

3 Sec. 217. The department and agencies receiving appropriations
4 in this part and part 1 shall receive and retain copies of all
5 reports funded from appropriations in this part and part 1. Federal
6 and state guidelines for short-term and long-term retention of
7 records shall be followed. The department may electronically retain
8 copies or reports unless otherwise required by federal and state
9 guidelines.

10 Sec. 218. The department shall not take disciplinary action
11 against an employee for communicating with a member of the
12 legislature or his or her staff.

13 Sec. 219. The department shall not develop or produce any
14 television or radio productions.

15 Sec. 220. The department, in conjunction with the department
16 of health and human services, shall maintain an accounting
17 structure within the Michigan administrative information network
18 that will allow expenditures associated with the administration of
19 the Healthy Michigan plan to be identified. By October 1, the
20 department shall provide the state budget office and the fiscal
21 agencies with the relevant accounting structure and associated
22 business objects script and report that group's administrative
23 costs.

24 Sec. 221. The department may carry into the succeeding fiscal
25 year unexpended federal pass-through funds to local institutions
26 and governments that do not require additional state matching
27 funds. Federal pass-through funds to local institutions and

1 governments that are received in amounts in addition to those
2 included in part 1 and that do not require additional state
3 matching funds are appropriated for the purposes intended. Within
4 14 days after the receipt of federal pass-through funds, the
5 department shall notify the house and senate chairpersons of the
6 subcommittees, the fiscal agencies, and the state budget director
7 of pass-through funds appropriated under this section.

8 Sec. 222. (1) Grants supported with private revenues received
9 by the department are appropriated upon receipt and are available
10 for expenditure by the department, subject to subsection (3), for
11 purposes specified within the grant agreement and as permitted
12 under state and federal law.

13 (2) Within 10 days after the receipt of a private grant
14 appropriated in subsection (1), the department shall notify the
15 house and senate chairpersons of the subcommittees, the fiscal
16 agencies, and the state budget director of the receipt of the
17 grant, including the fund source, purpose, and amount of the grant.

18 (3) The amount appropriated under subsection (1) shall not
19 exceed \$1,500,000.00.

20 Sec. 223. (1) The department may charge registration fees to
21 attendees of informational, training, or special events sponsored
22 by the department.

23 (2) These fees shall reflect the costs for the department to
24 sponsor the informational, training, or special events.

25 (3) Revenue generated by the registration fees is appropriated
26 upon receipt and available for expenditure to cover the
27 department's costs of sponsoring informational, training, or

1 special events.

2 (4) Revenue generated by registration fees in excess of the
3 department's costs of sponsoring informational, training, or
4 special events shall carry forward to the subsequent fiscal year
5 and not lapse to the general fund.

6 (5) Not later than November 15, the department shall submit a
7 report to the subcommittees, fiscal agencies, and the state budget
8 office that identifies each of the following in the immediately
9 preceding fiscal year:

10 (a) Each informational, training, or special event sponsored
11 by the department.

12 (b) The amount of revenue generated by registration fees.

13 (c) The amount expended for the department's costs of
14 sponsoring informational, training, or special events.

15 (d) Any balance carried forward into the subsequent fiscal
16 year.

17 (6) The amount appropriated under subsection (3) shall not
18 exceed \$500,000.00.

19 Sec. 224. The department may make available to interested
20 entities otherwise unavailable customized listings of
21 nonconfidential information in its possession, such as names and
22 addresses of licensees. The department may establish and collect a
23 reasonable charge to provide this service. The revenue received
24 from this service is appropriated when received and shall be used
25 to offset expenses to provide the service. Any balance of this
26 revenue collected and unexpended at the end of the fiscal year
27 shall lapse to the appropriate restricted fund.

1 Sec. 225. (1) The department shall sell documents at a price
2 not to exceed the cost of production and distribution. Money
3 received from the sale of these documents shall revert to the
4 department. In addition to the funds appropriated in part 1, these
5 funds are available for expenditure when they are received by the
6 department of treasury. This subsection applies only for the
7 following documents:

8 (a) Corporation and securities division documents, reports,
9 and papers required or permitted by law pursuant to section 1060(5)
10 of the business corporation act, 1972 PA 284, MCL 450.2060.

11 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
12 436.1101 to 436.2303.

13 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
14 to 125.2350; the business corporation act, 1972 PA 284, MCL
15 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
16 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
17 2008 PA 551, MCL 451.2101 to 451.2703.

18 (d) Worker's compensation health care services rules.

19 (e) Construction code manuals.

20 (f) Copies of transcripts from administrative law hearings.

21 (2) In addition to the funds appropriated in part 1, funds
22 appropriated for the department under sections 55, 57, 58, and 59
23 of the administrative procedures act of 1969, 1969 PA 306, MCL
24 24.255, 24.257, 24.258, and 24.259, and section 203 of the
25 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
26 for all expenses necessary to provide for the cost of publication
27 and distribution.

1 (3) Unexpended funds at the end of the fiscal year shall carry
2 forward to the subsequent fiscal year and not lapse to the general
3 fund.

4 Sec. 226. (1) No later than March 1, the department shall
5 submit a report to the subcommittees and fiscal agencies pertaining
6 to licensing and regulatory programs during the previous fiscal
7 year for the following agencies:

8 (a) Public service commission.

9 (b) Liquor control commission.

10 (c) Bureau of fire services.

11 (d) Bureau of construction codes.

12 (e) Corporations, securities, and commercial licensing bureau.

13 (f) Bureau of professional licensing.

14 (g) Bureau of community and health services.

15 (h) Michigan occupational safety and health administration.

16 (2) The report shall be in a format that is consistent between
17 the agencies listed in subsection (1) and shall provide, but is not
18 limited to, the following information, as applicable, for each
19 agency in subsection (1):

20 (a) Revenue generated by and expenditures disbursed for each
21 regulatory product.

22 (b) Number of applications, both initial and renewal, for each
23 regulatory product.

24 (c) Number of applications, both initial and renewal, approved
25 for each regulatory product.

26 (d) Number of applications, both initial and renewal, denied
27 for each regulatory product.

1 (e) Average amount of time, both tolled and untolled, to
2 approve or deny applications, both initial and renewal, for each
3 regulatory product.

4 (f) Number of examinations proctored for initial applications
5 for each regulatory product.

6 (g) Number of complaints received pertaining to each regulated
7 activity.

8 (h) Number of investigations opened pertaining to each
9 regulated activity.

10 (i) Number of investigations closed pertaining to each
11 regulated activity.

12 (j) Average amount of time to close investigations pertaining
13 to each regulated activity.

14 (k) Number of enforcement actions pertaining to each regulated
15 activity.

16 (l) Number of administrative hearings pertaining to each
17 regulated activity.

18 (m) Number of administrative hearing adjudications pertaining
19 to each regulated activity.

20 (n) The type and amount of each fee charged to support each
21 regulated activity.

22 (3) As used in subsection (2), "regulatory product" means
23 licensure, certification, registration, inspection, review,
24 permitting, approval, or any other regulatory service provided by
25 the agencies specified in subsection (1) for each regulated
26 activity. As used in this subsection and subsection (2), "regulated
27 activity" means the particular activities, entities, facilities,

1 and industries regulated by the agencies specified in subsection
2 (1).

3 ENERGY AND UTILITY PROGRAMS

4 Sec. 301. From the funds appropriated in part 1, the Michigan
5 agency for energy and the Michigan public service commission shall
6 explore policies relating to carbon dioxide capture from industrial
7 sources and the use and sequestration of captured carbon dioxide in
8 enhanced oil recovery that improve our regulatory structure to
9 create an environment that fosters job growth and the utilization
10 of all available energy sources, including, but not limited to,
11 natural gas, petroleum, and crude oil.

12 OCCUPATIONAL REGULATION

13 Sec. 501. Money appropriated under this part and part 1 for
14 the bureau of fire services shall not be expended unless, in
15 accordance with section 2c of the fire prevention code, 1941 PA
16 207, MCL 29.2c, inspection and plan review fees will be charged
17 according to the following schedule:

18 <u>Operation and maintenance inspection fee</u>		
19 <u>Facility type</u>	20 <u>Facility size</u>	21 <u>Fee</u>
22 Hospitals	Any	\$8.00 per bed
23 <u>Plan review and construction inspection fees for</u>		
24 <u>hospitals and schools</u>		
25 <u>Project cost range</u>	<u>Fee</u>	
\$101,000.00 or less	minimum fee of \$155.00	
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00	

1 \$1,500,001.00 to \$10,000,000.00 \$1.30 per \$1,000.00
2 \$10,000,001.00 or more \$1.10 per \$1,000.00
3 or a maximum fee of \$60,000.00.

4 Sec. 502. The funds collected by the department for licenses,
5 permits, and other elevator regulation fees set forth in the
6 Michigan administrative code and as determined under section 8 of
7 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
8 408.816, that are unexpended at the end of the fiscal year shall
9 carry forward to the subsequent fiscal year.

10 Sec. 503. No later than February 15, the department shall
11 submit a report to the subcommittees, fiscal agencies, and state
12 budget director providing the following information:

13 (a) The number of honorably discharged veterans, individually
14 or if a majority interest of a corporation or limited liability
15 company, that were exempted from paying licensure, registration,
16 filing, or any other fees collected under each licensure or
17 regulatory program administered by the bureau of construction codes
18 and the corporations, securities, and commercial licensing bureau
19 during the preceding fiscal year.

20 (b) The specific fees and total amount of revenue exempted
21 under each licensure or regulatory program administered by the
22 bureau of construction codes and the corporations, securities, and
23 commercial licensing bureau during the preceding fiscal year.

24 (c) The actual costs of providing licensing and other
25 regulatory services to veterans exempted from paying licensure,
26 registration, filing, or any other fees during the preceding fiscal
27 year and a description of how these costs were calculated.

1 (d) The estimated amount of revenue that will be exempted
2 under each licensure or regulatory program administered by the
3 bureau of construction codes and the corporations, securities, and
4 commercial licensing bureau in both the current and subsequent
5 fiscal years and a description of how the exempted revenue was
6 estimated.

7 Sec. 504. All new FTEs allocated to the bureau of construction
8 codes shall be utilized for the responsibilities previously
9 conducted by the plan review division of the bureau of fire
10 services.

11 Sec. 505. (1) Funds remaining in the homeowner construction
12 lien recovery fund are appropriated to the department for payment
13 of court-ordered homeowner construction lien recovery fund
14 judgments entered prior to August 23, 2010. Pursuant to available
15 funds, the payment of final judgments shall be made in the order in
16 which the final judgments were entered and began accruing interest.

17 (2) Not later than April 1, the department shall submit to the
18 subcommittees and fiscal agencies a report on the revenues,
19 expenditures, and balance of the homeowner construction lien
20 recovery fund as of the end of the previous fiscal year.

21 Sec. 507. The department shall submit a report by January 31
22 to the standing committees on appropriations of the senate and
23 house of representatives, the fiscal agencies, and the state budget
24 director that includes all of the following information for the
25 prior fiscal year regarding the medical marihuana program under the
26 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
27 333.26430:

1 (a) The number of initial applications received.

2 (b) The number of initial applications approved and the number
3 of initial applications denied.

4 (c) The average amount of time, from receipt to approval or
5 denial, to process an initial application.

6 (d) The number of renewal applications received.

7 (e) The number of renewal applications approved and the number
8 of renewal applications denied.

9 (f) The average amount of time, from receipt to approval or
10 denial, to process a renewal application.

11 (g) The percentage of initial applications not approved or
12 denied within the time requirements established in section 6 of the
13 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

14 (h) The percentage of renewal applications not approved or
15 denied within the time requirements established in section 6 of the
16 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

17 (i) The percentage of registry cards for approved initial
18 applications not issued within the time requirements established in
19 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
20 333.26426.

21 (j) The percentage of registry cards for approved renewal
22 applications not issued within the time requirements established in
23 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
24 333.26426.

25 (k) The number of registry identification cards issued to or
26 renewed for patients residing in each county as of September 30 of
27 the preceding fiscal year under the Michigan medical marihuana act,

1 2008 IL 1, MCL 333.26421 to 333.26430.

2 (l) The amount collected from the medical marihuana program
3 application and renewal fees authorized in section 5 of the
4 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

5 (m) The costs of administering the medical marihuana program
6 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
7 to 333.26430.

8 Sec. 508. If the revenue collected by the department for
9 health systems administration or radiological health administration
10 and projects from fees and collections exceeds the amount
11 appropriated in part 1, the revenue may be carried forward into the
12 subsequent fiscal year. The revenue carried forward under this
13 section shall be used as the first source of funds in the
14 subsequent fiscal year.

15 Sec. 511. No later than February 1, the department shall
16 submit a report to the subcommittees, fiscal agencies, and state
17 budget director providing the following information:

18 (a) The total amount of reimbursements made to local units of
19 government for delegated inspections of fireworks retail locations
20 pursuant to section 11 of the Michigan fireworks safety act, 2011
21 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
22 bureau of fire services during the preceding fiscal year.

23 (b) The amount of reimbursement for delegated inspections of
24 fireworks retail locations for each local unit of government that
25 received reimbursement from the funds appropriated in part 1 for
26 the bureau of fire services during the preceding fiscal year.

27 Sec. 513. (1) Beginning October 1, for the purpose of

1 defraying the costs associated with responding to false final
2 inspection appointments and to discourage the practice of calling
3 for final inspections when the project is incomplete or
4 noncompliant with a plan of correction previously provided by the
5 bureau of fire services, the bureau of fire services may assess a
6 fee not to exceed \$200.00 for responding to confirmed false
7 inspection appointments. Fees collected under this section shall be
8 deposited into the restricted account referenced by section 2c(2)
9 of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly
10 identified within the Michigan administrative information network.

11 (2) Not later than September 30, the department shall prepare
12 a report that provides the amount of the fee assessed under
13 subsection (1), the number of fees assessed and issued per region,
14 the cost allocation for the work performed and reduced as a result
15 of this section, and any recommendations for consideration by the
16 legislature. The department shall submit this information to the
17 state budget director, the subcommittees, and the fiscal agencies.

18 Sec. 515. (1) The department shall assess and collect fees in
19 the licensing and regulation of child care organizations, as
20 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
21 care facilities, as described in the adult foster care facility
22 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

23 (2) The department shall report the total amount of fees
24 assessed and collected under subsection (1) to the fiscal agencies
25 no later than December 1 and shall provide information requested by
26 the fiscal agencies as they consider necessary to shift
27 authorization equivalent to that amount from the general

1 fund/general purpose to a state restricted fund within the
2 department's budget for fiscal year 2017-2018.

3 **EMPLOYMENT SERVICES**

4 Sec. 701. The amount appropriated in part 1 for the first
5 responder presumed coverage fund shall be deposited into the first
6 responder presumed coverage fund created under section 405 of the
7 worker's disability compensation act of 1969, 1969 PA 317, MCL
8 418.405.

9 Sec. 704. (1) The appropriation in part 1 for the bureau of
10 services for blind persons includes funds for case services. These
11 funds may be used for tuition payments for blind clients.

12 (2) Revenue collected by the bureau of services for blind
13 persons and from private and local sources that is unexpended at
14 the end of the fiscal year may carry forward to the subsequent
15 fiscal year.

16 Sec. 705. The bureau of services for blind persons shall work
17 collaboratively with service organizations and government entities
18 to identify qualified match dollars to maximize use of available
19 federal vocational rehabilitation funds.

20 Sec. 707. The bureau of services for blind persons may provide
21 and enter into agreements to provide general services, training,
22 meetings, information, special equipment, software, facility use,
23 and technical consulting services to other principal executive
24 departments, state agencies, local units of government, the
25 judicial branch of government, other organizations, and patrons of
26 department facilities. The department may charge fees for these

1 services that are reasonably related to the cost of providing the
2 services. In addition to the funds appropriated in part 1, funds
3 collected by the department for these services are appropriated for
4 all expenses necessary. The funds appropriated under this section
5 are allotted for expenditure when they are received by the
6 department of treasury.

7 **DEPARTMENT GRANTS**

8 Sec. 901. The appropriation in part 1 for fire protection
9 grants shall be appropriated to cities, villages, and townships
10 with state-owned facilities for fire services, instead of taxes, in
11 accordance with 1977 PA 289, MCL 141.951 to 141.956.

12 Sec. 902. (1) The department shall expend the funds
13 appropriated in part 1 for medical marihuana operation and
14 oversight grants for grants to county law enforcement offices for
15 the operation and oversight of the Michigan medical marihuana
16 program pursuant to section 6(1) of the Michigan medical marihuana
17 act, 2008 IL 1, MCL 333.26426. These grants shall be distributed
18 proportionately based on the number of registry identification
19 cards issued to or renewed for the residents of each county whose
20 county law enforcement office applied for a grant under subsection
21 (2). For the purposes of this subsection, operation and oversight
22 grants are for education, communication, and enforcement of the
23 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
24 333.26430.

25 (2) No later than December 1, the department shall post a
26 listing of potential grant money available to each county law

1 enforcement agency on its website. In addition, the department
2 shall work collaboratively with county law enforcement agencies,
3 the Michigan Sheriff's Association, and other representative law
4 enforcement organizations regarding the availability of these grant
5 funds. A county law enforcement agency requesting a grant shall
6 apply on a form developed by the department and available on the
7 website. The form shall contain the county law enforcement agency's
8 specific projected plan for use of the money and its agreement to
9 maintain all records and to submit documentation to the department
10 to support the use of the grant money.

11 (3) In order to be eligible to receive a grant under
12 subsection (1), a county law enforcement agency shall apply no
13 later than January 1 and agree to report how the grant was expended
14 and provide that report to the department no later than September
15 15. The department shall submit a report no later than October 15
16 of the subsequent fiscal year to the state budget director, the
17 subcommittees, and the fiscal agencies detailing the grant amounts
18 by recipient and the reported uses of the grants in the preceding
19 fiscal year.

20 (4) County law enforcement agencies may distribute
21 discretionary grants made under subsection (1) to municipal law
22 enforcement agencies for the operation and oversight of the
23 Michigan medical marihuana program pursuant to section 6(1) of the
24 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
25 county law enforcement agency distributes a discretionary grant in
26 this manner, that county law enforcement agency shall require the
27 receiving municipal law enforcement agency to provide a report on

1 how that grant was spent. Reports from municipal law enforcement
2 agencies shall be included as part of the report submitted to the
3 department as required in subsection (3).

4 Sec. 903. (1) The amount appropriated in part 1 for
5 firefighter training grants shall only be expended for payments to
6 counties to reimburse organized fire departments for firefighter
7 training and other activities required under the firefighters
8 training council act, 1966 PA 291, MCL 29.361 to 29.377.

9 (2) If the amount appropriated in part 1 for firefighter
10 training grants is expended by the firefighter training council,
11 established in section 3 of the firefighters training council act,
12 1966 PA 291, MCL 29.363, for payments to counties under section 14
13 of the firefighters training council act, 1966 PA 291, MCL 29.374,
14 it is the intent of the legislature that:

15 (a) The amount appropriated in part 1 for firefighter training
16 grants shall be allocated pursuant to section 14(2) of the
17 firefighters training council act, 1966 PA 291, MCL 29.374.

18 (b) If the amount allocated to any county under subsection
19 (2)(a) is less than \$5,000.00, the amounts disbursed to each county
20 under subsection (2)(a) shall be adjusted to provide for a minimum
21 payment of \$5,000.00 to each county.

22 (3) No later than February 1, the department shall submit a
23 financial report to the subcommittees and fiscal agencies
24 identifying the following information for the preceding fiscal
25 year:

26 (a) The amount of the payments that would be made to each
27 county if the distribution formula described by the first sentence

1 of section 14(2) of the firefighters training council act, 1966 PA
2 291, MCL 29.374, would have been utilized to allocate the total
3 amount appropriated in part 1 for firefighter training grants.

4 (b) The amount of the payments approved by the firefighter
5 training council for allocation to each county.

6 (c) The amount of the payments actually expended or encumbered
7 within each county.

8 (d) A description of any other payments or expenditures made
9 under the authority of the firefighter training council.

10 (e) The amount of payments approved for allocations to
11 counties that was not expended or encumbered and lapsed back to the
12 fireworks safety fund.

13 Sec. 904. (1) The funds appropriated in part 1 for a regional
14 or subregional library shall not be released until a budget for
15 that regional or subregional library has been approved by the
16 department for expenditures for library services directly serving
17 the blind and persons with disabilities.

18 (2) In order to receive subregional state aid as appropriated
19 in part 1, a regional or subregional library's fiscal agency shall
20 agree to maintain local funding support at the same level in the
21 current fiscal year as in the fiscal agency's preceding fiscal
22 year. If a reduction in expenditures equally affects all agencies
23 in a local unit of government that is the regional or subregional
24 library's fiscal agency, that reduction shall not be interpreted as
25 a reduction in local support and shall not disqualify a regional or
26 subregional library from receiving state aid under part 1. If a
27 reduction in income affects a library cooperative or district

1 library that is a regional or subregional library's fiscal agency
2 or a reduction in expenditures for the regional or subregional
3 library's fiscal agency, a reduction in expenditures for the
4 regional or subregional library shall not be interpreted as a
5 reduction in local support and shall not disqualify a regional or
6 subregional library from receiving state aid under part 1.

7 **ONE-TIME BASIS APPROPRIATIONS**

8 Sec. 1001. (1) From the funds appropriated in part 1 for the
9 liquor control commission IT upgrades, the department shall
10 maintain customer service standards for authorized distributor
11 agents, licensees, and vendors.

12 (2) The department shall identify specific outcomes and
13 performance metrics for this initiative, including, but not limited
14 to, the following:

15 (a) System availability to licensees.

16 (b) System order errors.

17 Sec. 1002. (1) From the funds appropriated in part 1 for the
18 Michigan automated prescription system upgrades, the department
19 shall provide improved efficiencies and functionality of the system
20 for dispensers and prescribers, as well as improved reporting
21 capabilities.

22 (2) The department shall identify specific outcomes and
23 performance metrics for this initiative, including, but not limited
24 to, the following:

25 (a) Prescribers enrolled in the Michigan automated
26 prescription system.

1 (b) Dispensers enrolled in the Michigan automated prescription
2 system.

3 (c) Utilization of the Michigan automated prescription system
4 by prescribers.

5 (d) Utilization of the Michigan automated prescription system
6 by dispensers.

7 (e) Number of drug diversion cases the department generates
8 from the Michigan automated prescription system.

9 (f) Number of overprescribing cases the department generates
10 from the Michigan automated prescription system.

11 PART 2A

12 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

13 FOR FISCAL YEAR 2017-2018

14 **GENERAL SECTIONS**

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

24 Sec. 1202. It is the intent of the legislature that the
25 department identify the amounts for normal retirement costs and

House Bill No. 5294 as amended April 27, 2016

1 legacy retirement costs for the fiscal year ending on September 30,
2 2018 for the line items listed in part 1.

3 ARTICLE XIV

4 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

5 PART 1

6 LINE-ITEM APPROPRIATIONS

7 Sec. 101. There is appropriated for the department of military
8 and veterans affairs for the fiscal year ending September 30, 2017,
9 from the following funds:

10 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

11 APPROPRIATION SUMMARY

12 Full-time equated unclassified positions..... 9.0

13 Full-time equated classified positions..... [893.5]

14 GROSS APPROPRIATION..... [\$ 169,300,400]

15 Interdepartmental grant and intradepartmental
16 transfer revenues:

17 Total interdepartmental grants and intradepartmental
18 transfers 101,800

19 ADJUSTED GROSS APPROPRIATION..... [\$ 169,198,600]

20 Federal revenues:

21 Total federal revenues..... 91,793,600

22 Special revenue funds:

23 Total local revenues..... 1,522,400

24 Total private revenues..... 742,800

25 Total other state restricted revenues..... 23,596,000

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1	State general fund/general purpose	[\$	51,543,800]
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose	[49,043,700]	
5	One-time state general fund/general		
6	purpose	2,500,100	
7	Sec. 102. MILITARY		
8	Full-time equated unclassified positions.....	9.0	
9	Full-time equated classified positions.....	324.0	
10	Unclassified positions--9.0 FTE positions	\$	1,425,500
11	Counterdrug program.....		100,000
12	Departmentwide accounts.....		1,839,100
13	Headquarters and armories--78.0 FTE positions		17,254,100
14	Homeland security.....		107,200
15	Information technology services and projects		1,384,600
16	Michigan emergency volunteers		30,000
17	Michigan youth challenge academy--40.0 FTE positions .		4,616,900
18	Military appeals tribunal.....		900
19	Military family relief fund.....		600,000
20	Military training sites and support facilities--205.0		
21	FTE positions		33,693,000
22	Military training sites and support facilities test		
23	projects		100,000
24	National Guard tuition assistance program--1.0 FTE		
25	position		2,405,000
26	State active duty.....		100,100
27	Starbase grant.....		<u>2,322,000</u>

1	GROSS APPROPRIATION.....	\$	65,978,400
2	Appropriated from:		
3	Interdepartmental grant and intradepartmental		
4	transfer revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers		101,800
7	Federal revenues:		
8	Total federal revenues.....		47,488,100
9	Special revenue funds:		
10	Total local revenues.....		1,522,400
11	Total private revenues.....		202,800
12	Total other state restricted revenues.....		5,451,800
13	State general fund/general purpose.....	\$	11,211,500
14	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
15	Full-time equated classified positions.....		209.5
16	Board of managers (Grand Rapids home)	\$	665,000
17	Board of managers (Jacobetti home)		275,000
18	D.J. Jacobetti home for veterans--164.5 FTE positions		21,250,600
19	Michigan veterans' trust fund administration--6.0 FTE		
20	positions		1,464,800
21	Michigan veterans' trust fund grants.....		3,746,500
22	MVAA administration--39.0 FTE positions.....		7,057,300
23	Targeted grants.....		200,000
24	Veterans service grants.....		<u>3,733,500</u>
25	GROSS APPROPRIATION.....	\$	38,392,700
26	Appropriated from:		
27	Interdepartmental grant and intradepartmental		

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1	transfer revenues:	
2	Federal revenues:	
3	Total federal revenues.....	8,305,600
4	Special revenue funds:	
5	Total private revenues.....	540,000
6	Total other state restricted revenues.....	10,611,700
7	State general fund/general purpose.....	\$ 18,935,400
8	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
9	Full-time equated classified positions..... [360.0]	
10	Buildings, land, equipment, and vehicle expenses.....	\$ 228,900
11	Dues, fees, and other compensation.....	295,500
12	Employee expense reimbursements.....	19,500
13	Food and beverages.....	1,299,400
14	Fuel and supplies.....	2,953,500
15	Insurance and bonds.....	637,800
16	Mailing services and postage.....	15,600
17	Maintenance services.....	46,600
18	Purchased services.....	8,542,600
19	Salaries, wages, and fringe benefits-- [360.0] FTE	
20	positions	[30,828,600]
21	Supplemental pension.....	74,300
22	Telecommunications and utilities.....	953,700
23	Unemployment insurance claims.....	<u>33,100</u>
24	GROSS APPROPRIATION.....	[\$ 45,929,100]
25	Appropriated from:	
26	Interdepartmental grant and intradepartmental	
27	transfer revenues:	

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1 Federal revenues:

2	Total federal revenues.....	20,999,900
3	Total other state restricted revenues.....	6,532,500
4	State general fund/general purpose.....	[\$ 18,396,700]

5 **Sec. 105. CAPITAL OUTLAY**

6	Land and acquisitions.....	\$ 1,000,000
7	Special maintenance - headquarters and armories.....	15,000,000
8	Special maintenance - veterans' homes.....	500,000
9	Veterans homes planning.....	<u>100</u>
10	GROSS APPROPRIATION.....	\$ 16,500,100

11 Appropriated from:

12 Interdepartmental grant and intradepartmental
13 transfer revenues:

14 Federal revenues:

15	Total federal revenues.....	15,000,000
16	Total other state restricted revenues.....	1,000,000
17	State general fund/general purpose.....	\$ 500,100

18 **Sec. 106. ONE-TIME APPROPRIATIONS**

19	Armory infrastructure upgrades.....	\$ 2,500,000
20	Grand Rapids home Medicaid certification pilot.....	<u>100</u>
21	GROSS APPROPRIATION.....	\$ 2,500,100

22 Appropriated from:

23	State general fund/general purpose.....	\$ 2,500,100
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24 PART 2

25 PROVISIONS CONCERNING APPROPRIATIONS

House Bill No. 5294 as amended April 27, 2016
 FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is [\$75,139,800.00] and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$102,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military training sites and support facilities	\$	52,400
MVAA administration.....	\$	<u>50,000</u>
TOTAL.....	\$	102,400

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

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

(a) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(b) "Department" means the department of military and veterans affairs.

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

(d) "DJJHV" means the D.J. Jacobetti home for veterans.

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

(f) "GRHV" means the Grand Rapids home for veterans.

(g) "HVAC" means heating, ventilation, and air conditioning.

(h) "MVAA" means the Michigan veterans affairs agency.

1 (i) "Subcommittees" means the subcommittees of the senate and
2 house appropriations committees with jurisdiction over the budget
3 of the department.

4 (j) "USDVA" means the United States Department of Veterans
5 Affairs.

6 (k) "USDVA-VHA" means the USDVA Veterans Health
7 Administration.

8 (l) "VSO" means veterans service organization.

9 (m) "Work project" means that term as defined in section 404
10 of the management and budget act, 1984 PA 431, MCL 18.1404, and
11 that meets the criteria in section 451a(1) of the management and
12 budget act, 1984 PA 431, MCL 18.1451a.

13 Sec. 206. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$10,000,000.00 for
15 federal contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in part 1 under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

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

25 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$100,000.00 for local
27 contingency funds. These funds are not available for expenditure

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

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

10 Sec. 207. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following for each department or agency:

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

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

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

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

21 (e) Job specifications and wage rates.

22 Sec. 208. The departments and agencies receiving
23 appropriations in part 1 shall use the Internet to fulfill the
24 reporting requirements of this part. This requirement may include
25 transmission of reports via electronic mail to the recipients
26 identified for each reporting requirement, or it may include
27 placement of reports on an Internet or Intranet site.

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

11 Sec. 210. The director shall take all reasonable steps to
12 ensure businesses in deprived and depressed communities compete for
13 and perform contracts to provide services or supplies, or both. The
14 director shall strongly encourage firms with which the department
15 contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

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

20 Sec. 218. The departments and agencies receiving
21 appropriations in part 1 shall prepare a report on out-of-state
22 travel expenses not later than January 1 of each year. The travel
23 report shall be a listing of all travel by classified and
24 unclassified employees outside this state in the immediately
25 preceding fiscal year that was funded in whole or in part with
26 funds appropriated in the department's budget. The report shall be
27 submitted to the senate and house appropriations committees, the

1 house and senate fiscal agencies, and the state budget director.
2 The report shall include the following information:

3 (a) The dates of each travel occurrence.

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

9 Sec. 219. The department shall provide quarterly reports to
10 the subcommittees, the senate and house fiscal agencies, and the
11 state budget office, which shall provide the following data:

12 (a) A list of all major work projects, including a status
13 report of each project.

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

20 (c) A report on the status of performance metrics cited in
21 this part and information required to be reported in this part.

22 (d) The number of active employees at the close of the fiscal
23 quarter by job classification and program.

24 (e) Evidence of efficiencies and management of funds within
25 established appropriations.

26 Sec. 222. The appropriations in part 1 are for the core
27 services, support services, and work projects of the department,

1 including, but not limited to, the following core services:

2 (a) Armories and joint force readiness.

3 (b) National Guard training facilities and air bases.

4 (c) Michigan youth challenge academy.

5 (d) Military family relief fund.

6 (e) Starbase grant.

7 (f) National Guard tuition assistance program.

8 (g) Michigan veterans affairs agency administration.

9 (h) Veterans service grants.

10 (i) Veterans' trust fund administration.

11 (j) Veterans' trust fund grants.

12 (k) Grand Rapids home for veterans.

13 (l) Board of managers (Grand Rapids and D.J. Jacobetti).

14 (m) D.J. Jacobetti home for veterans.

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

21 Sec. 228. Not later than November 30, the state budget office
22 shall prepare and transmit a report that provides for estimates of
23 the total general fund/general purpose appropriations lapses at the
24 close of the prior fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriations
26 lapses by major departmental program or program areas. The report
27 shall be transmitted to the chairpersons of the senate and house

1 appropriations committees, the subcommittees, and the senate and
2 house fiscal agencies.

3 Sec. 229. Within 14 days after the release of the executive
4 budget recommendation, the department shall cooperate with the
5 state budget office to provide the senate and house appropriations
6 chairs, the chairpersons of the subcommittees, and the senate and
7 house fiscal agencies with an annual report on estimated state
8 restricted fund balances, state restricted fund projected revenues,
9 and state restricted fund expenditures for the fiscal years ending
10 September 30, 2016 and September 30, 2017.

11 Sec. 230. The department shall maintain, on a publicly
12 accessible website, a department scorecard that identifies, tracks,
13 and regularly updates key metrics that are used to monitor and
14 improve the agency's performance.

15 Sec. 231. Total authorized appropriations from all sources
16 under part 1 for legacy costs for the fiscal year ending September
17 30, 2017 are \$18,602,500.00. From this amount, total agency
18 appropriations for pension-related legacy costs are estimated at
19 \$10,314,600.00. Total agency appropriations for retiree health care
20 legacy costs are estimated at \$8,287,900.00.

21 Sec. 232. The appropriations in part 1 for capital outlay
22 shall be carried forward at the end of the fiscal year consistent
23 with section 248 of the management and budget act, 1984 PA 431, MCL
24 18.1248.

25 Sec. 233. Sixty days prior to the public announcement of the
26 intention to sell any department real property, the department
27 shall submit notification of that intent to the subcommittees and

1 the senate and house fiscal agencies.

2 Sec. 240. In addition to the metrics required under section
3 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
4 each new program or program enhancement for which funds in excess
5 of \$500,000.00 are appropriated in part 1, the department shall
6 provide not later than November 1, 2016 a list of program-specific
7 metrics intended to measure its performance based on a return on
8 taxpayer investment. The department shall deliver the program-
9 specific metrics to members of the senate and house subcommittees
10 that have subject matter jurisdiction for this budget, fiscal
11 agencies, and the state budget director. The department shall
12 provide an update on its progress in tracking program-specific
13 metrics and the status of program success at an appropriations
14 subcommittee meeting called for by the subcommittee chair.

15 **MILITARY**

16 **UNCLASSIFIED POSITIONS**

17 Sec. 300. (1) From the funds appropriated in part 1, there is
18 funding to support unclassified employee positions as authorized by
19 section 5 of article XI of the state constitution of 1963. These
20 positions include the following: department director - the adjutant
21 general for Michigan; assistant adjutant general - army; assistant
22 adjutant general - installations; assistant adjutant general - air;
23 senior policy executive - Michigan veterans affairs agency; senior
24 deputy director - state operations; director - strategy and policy;
25 chief executive officer for the veteran health system; and director
26 - Michigan veterans affairs agency.

1 (2) Not less than 30 days prior to the department submitting a
2 request for an additional unclassified employee position from the
3 civil service commission, or for any substantive change to the
4 duties of an existing unclassified employee position, the
5 department shall notify the subcommittees and the senate and house
6 fiscal agencies.

7 **ARMORIES AND JOINT FORCE READINESS**

8 Sec. 302. (1) From the funds appropriated in part 1 for
9 military operations, effective and efficient executive direction
10 and administrative leadership shall be provided to the department.

11 (2) The department shall operate and maintain National Guard
12 armories.

13 (3) The department shall evaluate armories and submit a
14 quarterly report on the status of the armories.

15 (4) The department shall maintain a system to measure the
16 condition and adequacy of the armories.

17 (5) The Michigan Army National Guard and Air National Guard
18 shall work to provide a culture that is free of sexual assault,
19 through an environment of prevention, education and training,
20 response capability, victim support, reporting procedures, and
21 appropriate accountability that enhances the safety and well-being
22 of all guard members.

23 (6) By December 1, the department shall report the following
24 information to the subcommittees, the senate and house fiscal
25 agencies, and the state budget office:

26 (a) An assessment of the grounds and facilities of each armory
27 to objectively measure and determine the current facility condition

1 and capability to support authorized manpower, unit training, and
2 operations.

3 (b) Recommendations for the placement of new armories, the
4 relocation or consolidation of existing armories, or a change in
5 the mission of units assigned to armories to ideally position the
6 National Guard in current or projected population centers.

7 (c) Recommendations for the enhanced use of armories to
8 facilitate family support programs during deployments.

9 (d) An analysis of the feasibility, potential costs, and
10 benefits of use of armories shared with other local, state, or
11 federal agencies to improve responses to local emergencies as well
12 as the community support provided to armories.

13 (e) An investment strategy and proposed funding amounts in a
14 prioritized project list to correct the most critical facility
15 shortfalls across the inventory of armories in this state.

16 **NATIONAL GUARD TRAINING FACILITIES AND AIR BASES**

17 Sec. 304. (1) The department shall provide Army and Air
18 National Guard forces, when directed, for state and local
19 emergencies and in support of national military requirements.

20 (2) The department shall operate and maintain Army National
21 Guard training facilities, including Fort Custer and Camp Grayling.

22 (3) The department shall maintain a system that measures the
23 condition and adequacy of air facilities using both quality and
24 functionality criteria.

25 (4) The department shall operate and maintain Air National
26 Guard air bases, including Selfridge Air National Guard base,
27 Battle Creek Air National Guard base, and Alpena combat readiness

1 training center.

2 (5) The department shall provide the following information as
3 provided under section 219:

4 (a) The apportioned and assigned strength of the Michigan Army
5 National Guard.

6 (b) The apportioned and assigned strength of the Michigan Air
7 National Guard.

8 (c) Recruiting, retention, and attrition data, including
9 measurement against stated performance goals, for the Michigan Army
10 National Guard.

11 (d) Recruiting, retention, and attrition data, including
12 measurement against stated performance goals, for the Michigan Air
13 National Guard.

14 Sec. 305. There is hereby created and established under the
15 jurisdiction and control of the department a revolving account to
16 be known as the billeting fund account. All of the fees and other
17 revenues generated from the operation of the chargeable transient
18 quarters program shall be deposited in the billeting fund account.
19 Appropriations will be made from the account for the support of
20 program operations and the maintenance and operations of the
21 chargeable transient quarters program and will not exceed the
22 estimated revenues for the fiscal year in which they are made,
23 together with unexpended balances from prior years. The department
24 shall submit an annual report of operations and expenditures
25 regarding the billeting fund account to the appropriations
26 committees of the senate and house of representatives, the house
27 and senate fiscal agencies, and the state budget office at the end

1 of the fiscal year.

2 **MICHIGAN YOUTH CHALLENGE ACADEMY**

3 Sec. 307. (1) The department shall maintain the Michigan youth
4 challenge academy to provide values, skills, education, and self-
5 discipline instruction for at-risk youth as provided under 32 USC
6 509.

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

10 (3) The department shall partner with the department of health
11 and human services to identify youth who may be eligible for the
12 challenge program from those youth served by department of health
13 and human services programs. These eligible youth shall be given
14 priority for enrollment in the program.

15 (4) The department shall maintain the staffing and resources
16 necessary to train at least 144 cadets simultaneously at the
17 Michigan youth challenge academy.

18 (5) The department shall ensure that the average grade level
19 increase for Michigan youth challenge academy graduates is 2 years
20 as measured with the test adult basic education (TABE) metrics.

21 **MILITARY FAMILY RELIEF FUND**

22 Sec. 308. (1) The department shall provide grants for
23 disbursement from the military family relief fund, as provided
24 under the military family relief fund act, 2004 PA 363, MCL 35.1211
25 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative
26 code.

27 (2) The department shall provide information on the revenues,

1 expenditures for advertising and assistance grants, and fund
2 balance of the Michigan military family relief fund, as provided
3 under section 219.

4 (3) The department shall provide sufficient staffing and other
5 resources to provide outreach to the Michigan families of members
6 of the reserve component of the armed forces called into active
7 duty and to support the processing and approval of grant
8 applications this fiscal year under the Michigan military relief
9 fund and report those applications as provided in section 219.

10 **STARBASE GRANT**

11 Sec. 309. The department shall maintain the starbase program
12 at Air National Guard facilities, as provided under 10 USC 2193b,
13 to improve the knowledge, skills, and interest of students,
14 primarily in the fifth grade, in math, science, and technology. The
15 starbase program is to specifically target minority and at-risk
16 students for participation.

17 **NATIONAL GUARD TUITION ASSISTANCE PROGRAM**

18 Sec. 310. (1) The department shall establish and maintain a
19 National Guard tuition assistance program for members of the
20 Michigan Air and Army National Guard.

21 (2) The objective of the National Guard tuition program is to
22 bolster military readiness by increasing recruitment and retention
23 of Michigan Air and Army National Guard service members (and to
24 fill federally authorized strength levels for the state), improve
25 the Michigan Air and Army National Guard's competitive draw from
26 other military enlistment options in the state, enhance the ability
27 of the Michigan Air and Army National Guard to compete for members

1 and federal dollars with surrounding states, and increase the pool
2 of eligible candidates within the Michigan Air and Army National
3 Guard to become commissioned officers.

4 (3) The department shall make efforts to increase the number
5 of Michigan Air and Army National Guard members participating in
6 the program to 1,000 during the third year of the program's
7 existence. To evaluate the effectiveness of the program, the
8 department shall monitor the number of new recruits and new
9 reenlistments and the percentage of those who become participants
10 in the program to determine whether the percentage of authorized
11 Michigan Air and Army National Guard strength obtained and retained
12 is competitive in comparison with the neighboring air and army
13 national guards from the states of Illinois, Indiana, Ohio, and
14 Wisconsin.

15 (4) From the funds appropriated in part 1, the Michigan
16 national guard tuition assistance program shall be supported with
17 revenue from the Michigan national guard tuition assistance fund
18 created in in section 4 of the Michigan national guard tuition
19 assistance act, 2014 PA 259, MCL 32.434. As provided in section 4
20 of the Michigan national guard tuition assistance act, 2014 PA 259,
21 MCL 32.434, unexpended funds remaining in the Michigan national
22 guard tuition assistance fund at the end of the fiscal year shall
23 not lapse to the general fund.

24 **INFORMATION TECHNOLOGY SERVICES AND PROJECTS**

25 Sec. 311. The funds appropriated in part 1 for information
26 technology services and projects shall be used as a pass through
27 via an interdepartmental grant to the department of technology,

1 management, and budget for technology services, including
2 maintenance and repair services, and technology projects, to
3 maximize the operational efficiency and effectiveness of the
4 department.

5 **MICHIGAN VETERANS AFFAIRS AGENCY**

6 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

7 Sec. 400. (1) The MVAA shall provide outreach services to
8 Michigan veterans that advise them on the benefits to which they
9 are entitled, as provided under Executive Reorganization Order No.
10 2013-2, MCL 32.92. The MVAA shall also do the following:

11 (a) Maintain the staffing partnerships and other resources
12 necessary to develop and operate an outreach program that will
13 communicate benefit eligibility information to at least 50% of
14 Michigan's population of veterans, as assessed by annual census
15 estimates, with a goal of reaching 100% and enabling 100% to access
16 benefit information online.

17 (b) Communicate veteran benefit information pertaining to the
18 Michigan military family relief fund, Michigan veterans' trust
19 fund, and USDVA health, financial, and memorial benefits to which
20 they are entitled.

21 (c) Provide sufficient staffing and other resources to approve
22 requests for military discharge certificates (DD-214) annually.

23 (d) Continue the process to digitize all medical records,
24 military discharge documents, and burial records that are currently
25 on paper and microfilm.

26 (e) Provide a report, as provided under section 219, on the

1 MVAA's performance on the performance measures, outcomes, and
2 initiatives developed by the agency in the strategic plan required
3 by section 501 of 2013 PA 9.

4 (f) Provide a report to the subcommittees, senate and house
5 fiscal agencies, and the state budget office no later than April 1
6 providing for the following:

7 (i) To the extent known, data on the estimated number of
8 homeless veterans, by county, in this state.

9 (ii) A summary of the activities and strategies developed to
10 date under the MVAA community assessment and regional service
11 delivery model pilot.

12 (2) From the funds appropriated in part 1, the MVAA shall
13 provide for the regional coordination of services, as follows:

14 (a) Regional coordinators shall be selected by the MVAA
15 through a grant agreement with VSOs or by other means.

16 (b) Regional coordinators shall provide the following
17 services:

18 (i) Coordinate veteran benefit counselors' efforts throughout
19 a specified region.

20 (ii) Coordinate services with the department of health and
21 human services and the department of corrections.

22 (iii) Coordinate with regional workforce and economic
23 development agencies.

24 (iv) Coordinate activities among local foundations, nonprofit
25 organizations, and community groups to improve accessibility,
26 enrollment, and utilization of the array of health care, education,
27 employment assistance, and quality of life services provided at the

1 local level.

2 (c) The MVAA may work with MVAA service officers, regional
3 coordinators, county veteran counselors, VSO service officers, and
4 other service providers to incorporate the provision of information
5 relating to mental health care resources into their daily
6 operations to aid veterans in understanding the mental health care
7 support services they may be eligible to receive.

8 (d) The MVAA shall coordinate with the department of health
9 and human services to identify Medicaid recipients who are veterans
10 and who may be eligible for federal veterans health care benefits
11 or other benefits, to the extent that the identification does not
12 violate applicable confidentiality requirements.

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

17 (f) The MVAA shall ensure that all MVAA service officers, VSO
18 service officers, and regional coordinators receive appropriate
19 training in processing applications for benefits payable to
20 veterans due to military sexual trauma, post-traumatic stress
21 disorder, depression, anxiety, substance abuse, or other mental
22 health issues.

23 (3) The MVAA shall provide claims processing services to
24 Michigan veterans in support of benefit claims submitted to the
25 USDVA for the health, financial, and memorial benefits for which
26 they are eligible, and shall do all of the following:

27 (a) Report the following information as provided in section

1 219:

2 (i) The number of benefit claims, by type, submitted to the
3 USDVA by MVAA and coalition partner veteran service officers.

4 (ii) The number of fully developed claims, submitted to the
5 USDVA, with an overall goal of 40% of benefit claims submitted that
6 are considered fully developed by the USDVA.

7 (b) Maintain the staffing and resources necessary to process a
8 minimum of 500 claims per year.

9 (4) The MVAA shall maintain staffing and resources necessary
10 to develop and implement a process to ensure that all county
11 counselors receive the training and accreditation necessary to
12 provide quality services to our veterans. The MVAA shall report
13 information as provided in section 219 on the number and percentage
14 of county veterans counselors requesting training by the MVAA, with
15 an overall goal of 100% of county veterans counselors trained.

16 (5) From the funds appropriated in part 1 for MVAA operations,
17 the MVAA shall provide grant assistance to enhance the capacity and
18 capabilities of counties in providing benefit claims assistance.
19 These funds shall be used to continue the implementation of an
20 Internet-based data system, to increase the number of county
21 veterans counselors, and to increase the number of counties that
22 provide service to veterans through county veterans counselors. The
23 MVAA shall provide a report, as provided in section 219, on the
24 expenditures and activities of the grant funds directed by this
25 subsection.

26 (6) From the funds appropriated in part 1 for MVAA, the MVAA
27 is authorized to expend up to \$50,000.00 to hire legal services to

1 represent veterans benefit cases before federal court to maintain
2 accreditation under 38 CFR 14.628(d)(1)(iv).

3 **VETERANS SERVICE ORGANIZATION GRANTS**

4 Sec. 406. (1) The MVAA shall disburse VSO grants to assist
5 them to achieve agency goals and performance objectives in
6 partnership with the VSOs. Grants to VSOs will be disbursed to fund
7 programs and projects which are determined by the agency to meet
8 agency performance objectives and ensure that VSOs communicate the
9 availability of emergency grants through the Michigan veterans'
10 trust fund. In disbursing veterans service organization grants, the
11 MVAA shall do the following:

12 (a) Ensure that each VSO that receives grants is issued
13 performance standards.

14 (b) Ensure that each VSO that receives grant funds uses those
15 funds for veterans advocacy and outreach.

16 (c) Monitor the performance of each VSO that receives grants.

17 (2) Veterans service organization grants awarded by the MVAA
18 shall provide for the following, as developed by the MVAA:

19 (a) The provision of service to veterans statewide, using a
20 regional service delivery model, with services provided at
21 specified locations and times, including service provided in state
22 correctional facilities.

23 (b) The payment of a fixed hourly service rate.

24 (c) A specified number of service hours within each geographic
25 region of this state, with a statewide goal of at least 116,500
26 hours, including service hours provided to eligible incarcerated
27 veterans within 1 year of their earliest release date.

1 (d) Use of an MVAA-designated Internet-based claims data
2 system.

3 (3) The MVAA shall report the following information as
4 provided in section 219:

5 (a) A summary of activities supported through the
6 appropriation in part 1 for veterans service organization grants,
7 including separately for each service region, the amount of
8 expenditures to date, number of service hours, number of claims for
9 benefits submitted by type of claim, and other information deemed
10 appropriate by the MVAA.

11 (b) The number of fully developed claims, by type, submitted
12 to the USDVA by veterans service organizations, with an overall
13 goal of 40% of benefit claims submitted that are considered fully
14 developed by the USDVA.

15 **VETERANS' TRUST FUND ADMINISTRATION**

16 Sec. 407. (1) The Michigan veterans' trust fund board together
17 with the MVAA shall provide emergency grants for disbursement from
18 the Michigan veterans' trust fund, as provided under the following
19 program authorities:

20 (a) Sections 37, 38, and 39 of article IX of the state
21 constitution of 1963.

22 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

23 (c) R 35.1 to R 35.7 of the Michigan administrative code.

24 (d) R 35.621 to R 35.623 of the Michigan administrative code.

25 (2) No later than December 1, the MVAA shall provide a
26 detailed report of the Michigan veterans' trust fund that includes,
27 for the prior fiscal year, information on grants provided from the

1 emergency grant program, including details concerning the
2 methodology of allocations, the selection of emergency grant
3 program authorized agents, a description of how the emergency grant
4 program is administered in each county, and a detailed breakdown of
5 trust fund expenditures for that year, including the amount
6 distributed to each county for administrative costs and emergency
7 grants. The report shall also include the number of approved
8 applications, by category of assistance, and the number of denied
9 applications, by reason of denial. The report shall also provide an
10 update on the department's efforts to reduce program administrative
11 costs and maintain the Michigan veterans' trust fund corpus to its
12 original amount of at least \$50,000,000.00.

13 (3) Any funds not expended or encumbered at the end of the
14 current fiscal year shall be deposited into the Michigan veterans'
15 trust fund corpus.

16 **VETERANS' TRUST FUND GRANTS**

17 Sec. 408. (1) The MVAA shall provide a report, as provided
18 under section 219, on the financial status of the Michigan
19 veterans' trust fund, including the number and amount of emergency
20 grants, state administrative expenses, and county administrative
21 expenses.

22 (2) The Michigan veterans' trust fund board together with the
23 agency shall maintain the staffing and resources necessary to
24 process a minimum of 2,000 applications for veterans' trust fund
25 emergency grants.

26 **GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS**

27 Sec. 501. (1) The MVAA and the board of managers shall provide

1 compassionate and quality nursing and domiciliary care services at
2 the Grand Rapids and D.J. Jacobetti homes for veterans so that
3 members can achieve their highest potential of wellness,
4 independence, self-worth, and dignity.

5 (2) The department shall provide resources necessary to
6 provide nursing care services to veterans in accordance with
7 federal standards and provide the results of the annual USDVA
8 survey and certification as proof of compliance.

9 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
10 Jacobetti homes for veterans shall not be used for any purpose
11 other than for veterans and veterans' families.

12 (4) Any contractor providing competency evaluated nursing
13 assistants (CENA) to the Grand Rapids home for veterans shall
14 ensure that each CENA has at least 8 hours of training on
15 information provided by the home.

16 (5) Any contractor providing competency evaluated nursing
17 assistants to the Grand Rapids home for veterans shall ensure that
18 each CENA has at least 1 eight-hour shift of shadowing at the
19 veterans' home.

20 (6) Any contractor providing competency evaluated nursing
21 assistants to the Grand Rapids home for veterans shall ensure that
22 each CENA is competent in the basic skills needed to perform his or
23 her assigned duties at the home.

24 (7) Any contractor providing competency evaluated nursing
25 assistants to the Grand Rapids home for veterans shall ensure that
26 each CENA has at least 1 year of experience in long-term care,
27 unless that CENA is currently enrolled in an accredited CENA

1 certifying academic program.

2 (8) The Grand Rapids home for veterans shall provide each CENA
3 at least 12 hours of in-service training once that individual has
4 been assigned to the home.

5 (9) All complaints of abusive or neglectful care at the Grand
6 Rapids and the D.J. Jacobetti homes for veterans by a resident
7 member, a resident member's family or legal guardian, or staff of
8 the veterans' homes, received by a supervisor shall be referred to
9 the director of nursing or his or her designee upon receipt of such
10 complaint. The director of nursing or his or her designee shall
11 report on not less than a monthly basis, except that the board of
12 managers may specify a more frequent reporting period, to the home
13 administrator, board of managers, agency, subcommittees, the senate
14 and house fiscal agencies, and the state budget office the
15 following information:

16 (a) A description of the process by which resident members and
17 others may file complaints of alleged abuse or neglect at the Grand
18 Rapids and the D.J. Jacobetti homes for veterans.

19 (b) Summary statistics on the number and general nature of
20 complaints of abuse or neglect.

21 (c) Summary statistics on the final disposition of complaints
22 of abuse or neglect received.

23 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
24 shall provide an on-site, board-certified psychiatrist for all
25 resident members with mental health disorders in order to ensure
26 that those resident members receive needed services in a
27 professional and timely manner. The Grand Rapids and D.J. Jacobetti

1 homes for veterans shall provide all members and staff a safe and
2 secure environment.

3 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
4 shall ensure that they effectively develop, execute, and monitor
5 all comprehensive care plans in accordance with federal regulations
6 and their internal policies, with a goal that a comprehensive care
7 plan is fully developed for all resident members.

8 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
9 shall implement controls over their food, maintenance supplies,
10 pharmaceuticals, and medical supplies inventories.

11 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
12 shall implement controls over their pharmaceutical inventory.

13 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
14 shall establish sufficient controls for calculating resident member
15 maintenance assessments in order to accurately calculate resident
16 member maintenance assessments for each billing cycle. The Grand
17 Rapids and D.J. Jacobetti homes for veterans shall establish
18 sufficient controls to ensure that all past due resident member
19 maintenance assessments are addressed within 30 days.

20 (15) The Grand Rapids and D.J. Jacobetti homes for veterans
21 shall establish sufficient controls over monetary donations and
22 donated goods.

23 (16) The Grand Rapids and D.J. Jacobetti homes for veterans
24 shall implement sufficient controls over the handling of resident
25 member funds to ensure the release of funds within 3 business days
26 upon the resident member leaving the home and to ensure that a
27 representative of a resident member is provided a full accounting

1 of that resident member's funds within 10 business days of the
2 death of that resident member.

3 (17) The MVAA shall post on its website all policies adopted
4 by the board of managers and the home related to the administrative
5 operations of the home.

6 (18) The process by which visitors, residents, and employees
7 of the Grand Rapids and D.J. Jacobetti homes for veterans may
8 register complaints shall be displayed in high-traffic areas
9 throughout the home.

10 (19) The MVAA shall report its findings regarding the state
11 veterans' homes' compliance with the requirements and standards
12 under this section in a quarterly report to the legislature and the
13 state budget office. The quarterly reports shall include, but are
14 not limited to, the following information:

15 (a) Quality of care metrics, including the following:

16 (i) The number of patient care hours and staffing levels
17 measured against USDVA-VHA standards.

18 (ii) Sentinel events.

19 (iii) Fall and wound reports.

20 (iv) Complaint reports, including abuse and neglect complaints
21 and the findings and outcomes of each abuse and neglect complaint
22 investigation.

23 (b) The number and dollar value of lost and discarded
24 prescriptions and the number of early prescription refills.

25 (c) Membership census, including the following:

26 (i) Number of members by period of service, gender, and care
27 setting.

1 (ii) Bed space currently available in each state veteran home,
2 by care setting type.

3 (iii) Payment source and associated revenue projections.

4 (d) Quarterly budget update, including each state veterans'
5 home's expenditures and revenues by line item and associated
6 revenue source.

7 (e) Information regarding assessments, reassessments, and
8 admissions at the Grand Rapids and D.J. Jacobetti homes for
9 veterans.

10 (f) The number of volunteer hours at the Grand Rapids and D.J.
11 Jacobetti homes for veterans.

12 (g) Modernization updates, including information regarding:

13 (i) Infrastructure and capital outlay.

14 (ii) Information technology.

15 (iii) Financial management.

16 (h) The status of corrective actions being taken to address
17 the findings of any audit or survey commissioned by the legislature
18 or any government agency of this state, until the findings of such
19 an audit or survey are fully addressed.

20 (20) The Grand Rapids and D.J. Jacobetti homes for veterans
21 shall provide to the subcommittees, the senate and house fiscal
22 agencies, and the state budget office the results of any annual or
23 for-cause survey conducted by the USDVA-VHA and any corresponding
24 corrective action plan. This information shall also be made
25 available publicly through the department's or MVAA's website.

26 (21) The MVAA shall provide to the legislature and the state
27 budget office quarterly reports regarding the status of Medicaid

1 certification efforts, including, but not limited to, descriptions
2 of incremental milestones, associated expenditures, and the percent
3 of plan completed.

4 Sec. 501a. (1) From the increased funds appropriated in part 1
5 for the D.J. Jacobetti home for veterans, the department shall
6 pursue compliance with current Centers for Medicaid and Medicare
7 Services certification standards by the end of the current fiscal
8 year. The purpose of this expansion is to obtain Medicaid
9 certification during the 2016-2017 fiscal year, increasing the
10 ability to fully utilize all federal funding available to cover the
11 cost of care of eligible veterans living at DJJHV and improve
12 overall quality of care for all veterans living at DJJHV.

13 (2) The department shall identify specific outcomes and
14 performance measures for this initiative, including, but not
15 limited to, the following:

16 (a) The quality of care to members of DJJHV shall increase as
17 a result of increased direct care staffing ratios.

18 (b) The quality of the care environment at DJJHV shall
19 increase as a result of facility updates made according to Medicaid
20 specifications to increase members' access to private and semi-
21 private accommodations.

22 (c) The quality of care for members of DJJHV shall increase as
23 a result of increased ability and efforts to implement long-term
24 care evidence-based best practices at DJJHV.

25 (d) The collection of available federal Medicaid revenue shall
26 increase as a result of Medicaid certification.

27 (e) The fiscal stability of DJJHV shall improve due to

House Bill No. 5294 as amended April 27, 2016

1 increased efforts to collect available federal revenue.

[Sec. 501b. From the funds appropriated in part 1 for salaries, wages, and fringe benefits, no less than \$500,000.00 in general fund/general purpose revenue shall be used by the Grand Rapids home for veterans for the purpose of addressing staffing shortfalls outlined in the 2016 auditor general report.]

2 **BOARD OF MANAGERS (GRAND RAPIDS AND D.J. JACOBETTI)**

3 Sec. 502. The board of managers shall exercise certain
4 regulatory and governance authority regarding admission and member
5 affairs at the Grand Rapids and D.J. Jacobetti homes for veterans.
6 The board of managers shall also work to represent the interest of
7 the veterans' community in both advisory and advocacy roles.

8 **CAPITAL OUTLAY**

9 **SPECIAL MAINTENANCE - NATIONAL GUARD**

10 Sec. 601. (1) The appropriations in part 1 for special
11 maintenance - National Guard shall be carried forward at the end of
12 the fiscal year consistent with section 248 of the management and
13 budget act, 1984 PA 431, MCL 18.1248.

14 (2) The appropriations for special maintenance - National
15 Guard shall be expended in accordance with the requirements of
16 sections 302 and 304 and shall be expended according to the
17 maintenance priorities of the department to repair and modernize
18 military training sites and support facilities, including armories,
19 which may include projects such as roof, HVAC, or boiler
20 replacement, interior renovations, facility expansion, improvements
21 to parking facilities, and other projects.

22 (3) The department shall provide a quarterly report as
23 provided under section 219 providing information on the status,
24 projected costs, and projected completion date of current and
25 planned special maintenance projects at the armories and other
26 National Guard facilities funded from capital outlay appropriations

1 made in part 1 and in prior appropriations years.

2 **SPECIAL MAINTENANCE - VETERANS' HOMES**

3 Sec. 603. (1) The appropriations in part 1 for special
4 maintenance - veterans' homes shall be carried forward at the end
5 of the fiscal year consistent with section 248 of the management
6 and budget act, 1984 PA 431, MCL 18.1248.

7 (2) The appropriations for special maintenance - veterans'
8 homes shall be expended in accordance with the requirements of
9 section 501 and shall be expended according to the maintenance
10 priorities of the department to repair and modernize the state's
11 veterans' homes, which may include projects such as roof, HVAC, or
12 boiler replacement, interior renovations, facility expansion,
13 improvements to parking facilities, and other projects designed to
14 enhance the quality of life and medical care of members.

15 (3) The MVAA shall provide a quarterly report as provided
16 under section 219 providing information on the status, projected
17 costs, and projected completion date of current and planned special
18 maintenance projects at the Grand Rapids home for veterans and D.J.
19 Jacobetti home for veterans funded from capital outlay
20 appropriations made in part 1 and in prior appropriations years.

21 **LAND AND ACQUISITIONS**

22 Sec. 604. (1) The department shall provide for the acquisition
23 and disposition of National Guard armories, facilities, and lands
24 as provided under sections 368, 382, and 382a of the Michigan
25 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

26 (2) The department shall provide a listing of property sales
27 and acquisitions as provided under section 219.

1 VETERANS' HOMES PLANNING

2 Sec. 605. (1) Funds appropriated in part 1 for veterans' homes
3 planning shall be used for the purposes of improving this state's
4 services in providing homes for veterans, which includes, but is
5 not limited to, the following:

6 (a) Developing a long-term plan for this state's veterans'
7 homes.

8 (b) The acquisition of land or facilities for the purpose of
9 expanding upon existing veterans' homes or creating new veterans'
10 homes.

11 (c) Constructing 1 or more new veterans' homes.

12 (d) Renovation of an existing veterans' home, in whole or in
13 part, or its associated facilities and infrastructure.

14 (2) The department shall issue a report quarterly regarding
15 the progress of any project undertaken utilizing funds appropriated
16 for veterans' homes planning to the chairs of the house and senate
17 standing committees on appropriations, the subcommittees, and the
18 house and senate fiscal agencies.

19 ONE-TIME APPROPRIATIONS**20 ARMORY INFRASTRUCTURE UPGRADE**

21 Sec. 701. From the increased funds appropriated in part 1 for
22 armory infrastructure, the department shall upgrade Army National
23 Guard network connections. The purpose of the increased funds for
24 armory infrastructure is for the modernization of armory
25 information technology infrastructure and improvements to best
26 ensure National Guard network capacity and connectivity in times of

1 emergency.

2 **MEDICAID CERTIFICATION RESERVE FUND**

3 Sec. 702. (1) The Medicaid certification reserve fund is
4 created within the state treasury.

5 (2) For the fiscal year ending September 30, 2017, there is
6 appropriated a total of \$5,000,000.00 general fund/general purpose
7 for deposit into the Medicaid certification reserve fund.

8 (3) Funds deposited in the Medicaid certification reserve fund
9 shall only be expended upon appropriation or legislative transfer
10 pursuant to section 393 of the management and budget act, 1984 PA
11 431, MCL 18.1393.

12 (4) Interest and earnings from the investment of funds
13 deposited in the Medicaid certification reserve fund shall be
14 deposited into the general fund.

15 (5) Funds in the Medicaid certification reserve fund at the
16 end of a fiscal year shall remain in the Medicaid certification
17 reserve fund and shall not lapse into the general fund.

18 PART 2A

19 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

20 FOR FISCAL YEAR 2017-2018

21 **GENERAL SECTIONS**

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

1 year 2016-2017, excluding appropriations designated as one-time
2 appropriations and adjusting for changes in caseload and related
3 costs, federal fund match rates, economic factors, and available
4 revenue. These adjustments will be determined after the January
5 2017 consensus revenue estimating conference.

6 Sec. 1202. The veterans affairs agency shall provide the
7 percentage of Michigan veterans contacted, with a goal of 100%, and
8 report upon those outreach findings to the subcommittees at
9 quarterly legislative hearings.

10 Sec. 1203. The veterans affairs agency shall maintain a
11 minimum 50% fully developed claims as determined by the USDVA.

12 ARTICLE XV

13 DEPARTMENT OF NATURAL RESOURCES

14 PART 1

15 LINE-ITEM APPROPRIATIONS

16 Sec. 101. There is appropriated for the department of natural
17 resources for the fiscal year ending September 30, 2017, from the
18 following funds:

19 **DEPARTMENT OF NATURAL RESOURCES**

20 APPROPRIATION SUMMARY

21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	2,236.8	
23	GROSS APPROPRIATION.....		\$ 396,904,200
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		

1	transfers		1,375,900
2	ADJUSTED GROSS APPROPRIATION.....	\$	395,528,300
3	Federal revenues:		
4	Total federal revenues.....		72,365,400
5	Special revenue funds:		
6	Total local revenues.....		0
7	Total private revenues.....		7,446,400
8	Total other state restricted revenues.....		277,156,500
9	State general fund/general purpose.....	\$	38,560,000
10	FUND SOURCE SUMMARY		
11	Full-time equated unclassified positions.....	6.0	
12	Full-time equated classified positions.....	2,236.8	
13	GROSS APPROPRIATION.....	\$	396,904,200
14	Interdepartmental grant revenues:		
15	IDG, land acquisition services-to-work orders.....		232,200
16	IDG, MacMullan conference center revenue.....		1,143,700
17	Total interdepartmental grants and intradepartmental		
18	transfers		1,375,900
19	ADJUSTED GROSS APPROPRIATION.....	\$	395,528,300
20	Federal revenues:		
21	Federal funds.....		72,365,400
22	Total federal revenues.....		72,365,400
23	Special revenue funds:		
24	Private funds.....		7,431,400
25	Private - Mann house trust fund.....		15,000
26	Total private revenues.....		7,446,400
27	Cervidae licensing and inspection fees.....		138,800

1	Clean Michigan initiative fund.....	29,700
2	Commercial forest fund.....	26,600
3	Fire equipment fund.....	668,700
4	Forest development fund.....	44,288,400
5	Forest land user charges.....	252,200
6	Forest recreation account.....	1,825,500
7	Game and fish protection fund.....	75,013,200
8	Game and fish protection fund - deer habitat reserve .	2,127,300
9	Game and fish protection fund - fisheries settlement .	629,200
10	Game and fish protection fund - turkey permit fees ...	1,008,400
11	Game and fish protection fund - waterfowl fees	122,400
12	Game and fish protection fund - wildlife management	
13	public education fund	1,600,000
14	Game and fish protection fund - wildlife resource	
15	protection fund	1,140,700
16	Game and fish protection fund - youth hunting and	
17	fishing education and outreach fund.....	95,800
18	History fees fund.....	233,000
19	Invasive species fund.....	100
20	Land exchange facilitation fund.....	6,985,900
21	Local public recreation facilities fund.....	1,682,500
22	Mackinac Island State Park fund.....	1,573,000
23	Mackinac Island State Park operation fund.....	148,500
24	Marine safety fund.....	3,718,600
25	Michigan heritage publications fund.....	22,300
26	Michigan natural resources trust fund.....	1,870,700
27	Michigan state parks endowment fund.....	26,541,300

1	Michigan state waterways fund.....	22,707,200
2	Michigan trailways fund.....	200
3	Museum operations fund.....	502,900
4	Nongame wildlife fund.....	483,400
5	Off-road vehicle safety education fund.....	203,500
6	Off-road vehicle trail improvement fund.....	7,068,700
7	Park improvement fund.....	53,201,700
8	Park improvement fund - Belle Isle subaccount.....	800,000
9	Permanent snowmobile trail easement fund.....	700,000
10	Public use and replacement deed fees.....	27,500
11	Recreation improvement account.....	1,123,100
12	Recreation passport fees.....	8,296,400
13	Snowmobile registration fee revenue.....	1,196,900
14	Snowmobile trail improvement fund.....	9,024,700
15	Sportsmen against hunger fund.....	77,500
16	Total other state restricted revenues.....	277,156,500
17	State general fund/general purpose.....	\$ 38,560,000
18	Sec. 102. EXECUTIVE OPERATIONS	
19	Full-time equated unclassified positions..... 6.0	
20	Full-time equated classified positions..... 11.6	
21	Unclassified salaries--6.0 FTE positions.....	\$ 754,000
22	Executive direction--11.6 FTE positions.....	2,120,700
23	Natural resources commission.....	<u>77,100</u>
24	GROSS APPROPRIATION.....	\$ 2,951,800
25	Appropriated from:	
26	Special revenue funds:	
27	Forest development fund.....	364,800

1	Forest land user charges.....		2,300
2	Forest recreation account.....		7,700
3	Game and fish protection fund.....		1,058,500
4	Game and fish protection fund - deer habitat reserve .		19,200
5	Game and fish protection fund - turkey permit fees ...		7,700
6	Game and fish protection fund - waterfowl fees.....		500
7	Game and fish protection fund - wildlife resource		
8	protection fund		13,000
9	Land exchange facilitation fund.....		10,400
10	Marine safety fund.....		46,600
11	Michigan natural resources trust fund.....		1,400
12	Michigan state parks endowment fund.....		363,000
13	Michigan state waterways fund.....		192,300
14	Nongame wildlife fund.....		3,900
15	Off-road vehicle safety education fund.....		400
16	Off-road vehicle trail improvement fund.....		82,900
17	Park improvement fund.....		457,300
18	Recreation improvement account.....		12,400
19	Snowmobile registration fee revenue.....		4,700
20	Snowmobile trail improvement fund.....		17,100
21	Sportsmen against hunger fund.....		100
22	State general fund/general purpose.....	\$	285,600
23	Sec. 103. DEPARTMENT INITIATIVES		
24	Full-time equated classified positions.....	16.0	
25	Great Lakes restoration initiative.....		\$ 5,500,000
26	Invasive species prevention and control--16.0 FTE		
27	positions		<u>5,028,300</u>

1	GROSS APPROPRIATION.....	\$	10,528,300
2	Appropriated from:		
3	Special revenue funds:		
4	Federal funds.....		5,500,000
5	State general fund/general purpose.....	\$	5,028,300
6	Sec. 104. DEPARTMENT SUPPORT SERVICES		
7	Full-time equated classified positions..... 109.5		
8	Finance and operations--105.5 FTE positions.....	\$	17,300,200
9	Legislative and legal affairs--4.0 FTE positions.....		546,900
10	Building occupancy charges.....		3,126,700
11	Gifts and pass-through transactions.....		5,000,000
12	Rent - privately owned property.....		488,400
13	Accounting service center.....		<u>1,480,400</u>
14	GROSS APPROPRIATION.....	\$	27,942,600
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG, land acquisition services-to-work orders.....		232,200
18	Federal revenues:		
19	Federal funds.....		329,700
20	Special revenue funds:		
21	Private funds.....		5,000,000
22	Clean Michigan initiative fund.....		29,700
23	Forest development fund.....		2,402,600
24	Forest land user charges.....		4,900
25	Forest recreation account.....		43,800
26	Game and fish protection fund.....		5,898,100
27	Game and fish protection fund - deer habitat reserve .		136,400

1	Game and fish protection fund - turkey permit fees ...	70,100
2	Game and fish protection fund - waterfowl fees	2,900
3	Game and fish protection fund - wildlife resource	
4	protection fund	28,100
5	Land exchange facilitation fund.....	5,899,100
6	Local public recreation facilities fund.....	182,500
7	Marine safety fund.....	727,800
8	Michigan natural resources trust fund.....	1,247,000
9	Michigan state parks endowment fund.....	912,400
10	Michigan state waterways fund.....	572,200
11	Nongame wildlife fund.....	9,500
12	Off-road vehicle safety education fund.....	300
13	Off-road vehicle trail improvement fund.....	86,500
14	Park improvement fund.....	1,276,300
15	Public use and replacement deed fees.....	27,500
16	Recreation improvement account.....	71,300
17	Snowmobile registration fee revenue.....	43,500
18	Snowmobile trail improvement fund.....	106,300
19	Sportsmen against hunger fund.....	400
20	State general fund/general purpose.....	\$ 2,601,500
21	Sec. 105. COMMUNICATION AND CUSTOMER SERVICES	
22	Full-time equated classified positions.....	132.3
23	Marketing and outreach--80.8 FTE positions.....	\$ 13,653,700
24	Michigan historical center--51.5 FTE positions.....	5,576,300
25	Michigan wildlife council.....	<u>1,600,000</u>
26	GROSS APPROPRIATION.....	\$ 20,830,000
27	Appropriated from:	

1	Federal revenues:	
2	Federal funds.....	1,722,600
3	Special revenue funds:	
4	Private funds.....	396,200
5	Private - Mann house trust fund.....	15,000
6	Forest development fund.....	131,900
7	Forest recreation account.....	16,300
8	Game and fish protection fund.....	8,288,800
9	Game and fish protection fund - wildlife management	
10	public education fund	1,600,000
11	Game and fish protection fund - youth hunting and	
12	fishing education and outreach fund.....	93,800
13	History fees fund.....	233,000
14	Land exchange facilitation fund.....	45,800
15	Marine safety fund.....	35,600
16	Michigan heritage publications fund.....	22,300
17	Michigan state parks endowment fund.....	88,800
18	Michigan state waterways fund.....	146,700
19	Museum operations fund.....	502,900
20	Nongame wildlife fund.....	10,500
21	Off-road vehicle trail improvement fund.....	31,100
22	Park improvement fund.....	2,785,400
23	Recreation passport fees.....	23,800
24	Snowmobile registration fee revenue.....	19,300
25	Snowmobile trail improvement fund.....	45,100
26	Sportsmen against hunger fund.....	76,400
27	State general fund/general purpose.....	\$ 4,498,700

1	Sec. 106. WILDLIFE DIVISION	
2	Full-time equated classified positions.....	226.5
3	Wildlife management--217.5 FTE positions.....	\$ 37,007,300
4	Natural resources heritage--9.0 FTE positions.....	<u>632,900</u>
5	GROSS APPROPRIATION.....	\$ 37,640,200
6	Appropriated from:	
7	Federal revenues:	
8	Federal funds.....	20,326,800
9	Special revenue funds:	
10	Private funds.....	315,700
11	Cervidae licensing and inspection fees.....	85,400
12	Forest development fund.....	77,600
13	Game and fish protection fund.....	11,870,000
14	Game and fish protection fund - deer habitat reserve.	1,710,100
15	Game and fish protection fund - turkey permit fees...	896,800
16	Game and fish protection fund - waterfowl fees.....	115,700
17	Nongame wildlife fund.....	429,000
18	State general fund/general purpose.....	\$ 1,813,100
19	Sec. 107. FISHERIES DIVISION	
20	Full-time equated classified positions.....	221.5
21	Aquatic resource mitigation--2.0 FTE positions.....	\$ 629,300
22	Fish production--63.0 FTE positions.....	10,194,000
23	Fisheries resource management--156.5 FTE positions...	20,378,600
24	Cormorant population mitigation program.....	<u>150,000</u>
25	GROSS APPROPRIATION.....	\$ 31,351,900
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds.....	11,225,700
2	Special revenue funds:	
3	Private funds.....	136,200
4	Game and fish protection fund.....	18,951,500
5	Game and fish protection fund - fisheries settlement .	629,200
6	Invasive species fund.....	100
7	State general fund/general purpose.....	\$ 409,200
8	Sec. 108. LAW ENFORCEMENT DIVISION	
9	Full-time equated classified positions.....	273.0
10	General law enforcement--273.0 FTE positions.....	\$ <u>40,506,000</u>
11	GROSS APPROPRIATION.....	\$ 40,506,000
12	Appropriated from:	
13	Federal revenues:	
14	Federal funds.....	6,477,500
15	Special revenue funds:	
16	Cervidae licensing and inspection fees.....	53,400
17	Forest development fund.....	45,400
18	Forest recreation account.....	72,800
19	Game and fish protection fund.....	19,322,900
20	Game and fish protection fund - wildlife resource	
21	protection fund	1,057,500
22	Marine safety fund.....	1,340,900
23	Michigan state parks endowment fund.....	71,400
24	Michigan state waterways fund.....	21,700
25	Off-road vehicle safety education fund.....	156,000
26	Off-road vehicle trail improvement fund.....	1,693,800
27	Park improvement fund.....	72,800

1	Snowmobile registration fee revenue.....		721,900
2	State general fund/general purpose.....	\$	9,398,000
3	Sec. 109. PARKS AND RECREATION DIVISION		
4	Full-time equated classified positions.....	902.9	
5	MacMullan conference center--15.0 FTE positions.....	\$	1,143,700
6	Recreational boating--163.5 FTE positions.....		17,371,300
7	State parks--673.4 FTE positions.....		66,487,900
8	Forest recreation and trails--51.0 FTE positions.....		6,189,400
9	State park improvement revenue bonds - debt service..		<u>1,188,800</u>
10	GROSS APPROPRIATION.....	\$	92,381,100
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG, MacMullan conference center revenue.....		1,143,700
14	Federal revenues:		
15	Federal funds.....		1,750,500
16	Special revenue funds:		
17	Private funds.....		428,400
18	Forest recreation account.....		1,642,900
19	Michigan state parks endowment fund.....		20,805,600
20	Michigan state waterways fund.....		16,239,000
21	Michigan trailways fund.....		100
22	Off-road vehicle safety education fund.....		7,200
23	Off-road vehicle trail improvement fund.....		1,796,400
24	Park improvement fund.....		43,251,600
25	Park improvement fund - Belle Isle subaccount.....		800,000
26	Recreation improvement account.....		333,400
27	Recreation passport fees.....		272,600

1	Snowmobile registration fee revenue.....		15,800
2	Snowmobile trail improvement fund.....		1,441,400
3	State general fund/general purpose.....	\$	2,452,500
4	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION		
5	Full-time equated classified positions.....	17.0	
6	Historical facilities system--13.0 FTE		
7	positions.....	\$	1,573,000
8	Mackinac Island State Park operations--4.0 FTE		
9	positions.....		<u>352,100</u>
10	GROSS APPROPRIATION.....	\$	1,925,100
11	Appropriated from:		
12	Special revenue funds:		
13	Mackinac Island State Park fund.....		1,573,000
14	Mackinac Island State Park operation fund.....		148,500
15	State general fund/general purpose.....	\$	203,600
16	Sec. 111. FOREST RESOURCES DIVISION		
17	Full-time equated classified positions.....	326.5	
18	Adopt-a-forest program.....	\$	25,000
19	Cooperative resource programs--11.0 FTE positions....		1,547,100
20	Forest fire equipment.....		581,500
21	Forest management and timber market development--176.0		
22	FTE positions.....		31,134,300
23	Forest management initiatives--8.5 FTE positions....		854,100
24	Minerals management--17.0 FTE positions.....		2,828,600
25	Wildfire protection--114.0 FTE positions.....		<u>13,712,800</u>
26	GROSS APPROPRIATION.....	\$	50,683,400
27	Appropriated from:		

1	Federal revenues:	
2	Federal funds.....	4,273,300
3	Special revenue funds:	
4	Private funds.....	1,054,900
5	Commercial forest fund.....	24,500
6	Fire equipment fund.....	668,700
7	Forest development fund.....	32,599,800
8	Forest land user charges.....	221,100
9	Game and fish protection fund.....	1,932,000
10	Michigan state parks endowment fund.....	2,659,100
11	Michigan state waterways fund.....	50,900
12	State general fund/general purpose.....	\$ 7,199,100
13	Sec. 112. GRANTS	
14	Dam management grant program.....	\$ 350,000
15	Deer habitat improvement partnership initiative.....	200,000
16	Federal - clean vessel act grants.....	400,000
17	Federal - forest stewardship grants.....	3,000,000
18	Federal - land and water conservation fund payments ..	2,566,900
19	Federal - rural community fire protection.....	400,000
20	Federal - urban forestry grants.....	1,600,000
21	Fisheries habitat improvement grants.....	1,250,000
22	Grants to communities - federal oil, gas, and timber	
23	payments	3,450,000
24	Grants to counties - marine safety.....	3,074,700
25	National recreational trails.....	3,900,000
26	Nonmotorized trail development and maintenance grants	350,000
27	Off-road vehicle safety training grants.....	29,200

1	Off-road vehicle trail improvement grants	3,356,200
2	Recreation improvement fund grants	657,100
3	Recreation passport local grants	1,500,000
4	Snowmobile law enforcement grants	380,100
5	Snowmobile local grants program	7,340,400
6	Trail easements	700,000
7	Wildlife habitat improvement grants	<u>1,500,000</u>
8	GROSS APPROPRIATION	\$ 36,004,600
9	Appropriated from:	
10	Federal revenues:	
11	Federal funds	16,884,300
12	Special revenue funds:	
13	Private funds	100,000
14	Game and fish protection fund	2,750,000
15	Game and fish protection fund - deer habitat reserve .	200,000
16	Local public recreation facilities fund	1,500,000
17	Marine safety fund	1,407,300
18	Off-road vehicle safety education fund	29,200
19	Off-road vehicle trail improvement fund	3,356,200
20	Permanent snowmobile trail easement fund	700,000
21	Recreation improvement account	657,100
22	Snowmobile registration fee revenue	380,100
23	Snowmobile trail improvement fund	7,340,400
24	State general fund/general purpose	\$ 700,000
25	Sec. 113. INFORMATION TECHNOLOGY	
26	Information technology services and projects	\$ <u>10,284,000</u>
27	GROSS APPROPRIATION	\$ 10,284,000

1	Appropriated from:	
2	Special revenue funds:	
3	Commercial forest fund.....	2,100
4	Forest development fund.....	1,566,300
5	Forest land user charges.....	23,900
6	Forest recreation account.....	42,000
7	Game and fish protection fund.....	3,741,400
8	Game and fish protection fund - deer habitat reserve .	61,600
9	Game and fish protection fund - turkey permit fees ...	33,800
10	Game and fish protection fund - waterfowl fees	3,300
11	Game and fish protection fund - wildlife resource	
12	protection fund	42,100
13	Game and fish protection fund - youth hunting and	
14	fishing education and outreach.....	2,000
15	Land exchange facilitation fund.....	30,600
16	Marine safety fund.....	160,400
17	Michigan natural resources trust fund.....	22,300
18	Michigan state parks endowment fund.....	1,341,000
19	Michigan state waterways fund.....	484,200
20	Michigan trailways fund.....	100
21	Nongame wildlife fund.....	30,500
22	Off-road vehicle safety education fund.....	10,400
23	Off-road vehicle trail improvement fund.....	21,800
24	Park improvement fund.....	1,358,300
25	Recreation improvement account.....	48,900
26	Snowmobile registration fee revenue.....	11,600
27	Snowmobile trail improvement fund.....	74,400

1	Sportsmen against hunger fund.....		600
2	State general fund/general purpose.....	\$	1,170,400
3	Sec. 114. CAPITAL OUTLAY		
4	(a) RECREATIONAL LANDS AND INFRASTRUCTURE		
5	State parks repair and maintenance.....	\$	13,500,000
6	State game and wildlife area infrastructure.....		3,600,000
7	Forest development infrastructure.....		<u>2,000,000</u>
8	GROSS APPROPRIATION.....	\$	19,100,000
9	Appropriated from:		
10	Federal revenues:		
11	Federal funds.....		2,700,000
12	Special revenue funds:		
13	Forest development fund.....		2,000,000
14	Game and fish protection fund.....		900,000
15	Park improvement fund.....		4,000,000
16	Recreation passport fees.....		8,000,000
17	State general fund/general purpose.....	\$	1,500,000
18	(b) WATERWAYS BOATING PROGRAM		
19	State harbors and boating access sites:		
20	Infrastructure improvements - state projects.....	\$	4,575,000
21	Infrastructure improvements - local projects.....		658,000
22	Munising marina.....		350,000
23	Harrisville harbor.....		492,100
24	Detroit Boat Club.....		<u>100</u>
25	GROSS APPROPRIATION.....	\$	6,075,200
26	Appropriated from:		
27	Federal revenues:		

1 Sec. 201. Pursuant to section 30 of article IX of the state
 2 constitution of 1963, total state spending from state resources
 3 under part 1 for fiscal year 2016-2017 is \$316,716,500.00 and state
 4 spending from state resources to be paid to local units of
 5 government for fiscal year 2016-2017 is \$6,100,000.00. The itemized
 6 statement below identifies appropriations from which spending to
 7 local units of government will occur:

8 DEPARTMENT OF NATURAL RESOURCES

9 GRANTS

10	Dam management grant program.....	\$	175,000
11	Fisheries habitat improvement grants.....		200,000
12	Grants to counties - marine safety.....		1,407,300
13	Nonmotorized trail development and maintenance grants		262,500
14	Off-road vehicle safety training grants.....		29,200
15	Off-road vehicle trail improvement grants.....		530,100
16	Recreation improvement fund grants.....		65,700
17	Recreation passport local grants.....		1,500,000
18	Snowmobile law enforcement grants.....		380,100
19	Wildlife habitat improvement grants.....		50,000
20	CAPITAL OUTLAY		
21	Waterways boating program.....	\$	<u>1,500,100</u>
22	TOTAL.....	\$	6,100,000

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

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

27 (a) "Department" means the department of natural resources.

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

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

3 Sec. 205. The departments and agencies receiving
 4 appropriations in part 1 shall use the Internet to fulfill the
 5 reporting requirements of this part. This requirement may include
 6 transmission of reports via electronic mail to the recipients
 7 identified for each reporting requirement, or it may include
 8 placement of reports on an Internet or Intranet site.

9 Sec. 206. Appropriations of state restricted game and fish
 10 protection funds have been made in the following amounts to the
 11 following departments and agencies:

12	Legislative auditor general.....	\$	31,300
13	Attorney general.....		751,100
14	Department of technology, management, and budget.....		464,500
15	Department of treasury.....		2,925,200

16 Sec. 207. Pursuant to section 43703(3) of the natural
 17 resources and environmental protection act, 1994 PA 451, MCL
 18 324.43703, there is appropriated from the game and fish protection
 19 trust fund to the game and fish protection account of the Michigan
 20 conservation and recreation legacy fund, \$6,000,000.00 for the
 21 fiscal year ending September 30, 2017.

22 Sec. 210. Funds appropriated in part 1 shall not be used for
 23 the purchase of foreign goods or services, or both, if
 24 competitively priced and of comparable quality American goods or
 25 services, or both, are available. Preference shall be given to
 26 goods or services, or both, manufactured or provided by Michigan
 27 businesses if they are competitively priced and of comparable

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

5 Sec. 211. The director shall take all reasonable steps to
6 ensure businesses in deprived and depressed communities compete for
7 and perform contracts to provide services or supplies, or both. The
8 director shall strongly encourage firms with which the department
9 contracts to subcontract with certified businesses in depressed and
10 deprived communities for services, supplies, or both.

11 Sec. 212. The department shall not take disciplinary action
12 against an employee for communicating with a member of the
13 legislature or his or her staff.

14 Sec. 214. Funds appropriated in this part and part 1 shall not
15 be used by a principal executive department, state agency, or
16 authority to hire a person to provide legal services that are the
17 responsibility of the attorney general. This prohibition does not
18 apply to legal services for bonding activities and for those
19 outside services that the attorney general authorizes.

20 Sec. 215. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$3,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in part 1 under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$10,000,000.00 for state

1 restricted contingency funds. These funds are not available for
2 expenditure until they have been transferred to another line item
3 in part 1 under section 393(2) of the management and budget act,
4 1984 PA 431, MCL 18.1393.

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

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

17 Sec. 218. The departments and agencies receiving
18 appropriations in part 1 shall prepare a report on out-of-state
19 travel expenses not later than January 1 of each year. The travel
20 report shall be a listing of all travel by classified and
21 unclassified employees outside this state in the immediately
22 preceding fiscal year that was funded in whole or in part with
23 funds appropriated in the department's budget. The report shall be
24 submitted to the senate and house appropriations committees, the
25 house and senate fiscal agencies, and the state budget director.
26 The report shall include the following information:

27 (a) The dates of each travel occurrence.

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

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

15 Sec. 222. Within 14 days after the release of the executive
16 budget recommendation, the department shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 chairs, the senate and house appropriations subcommittees chairs,
19 and the senate and house fiscal agencies with an annual report on
20 estimated state restricted fund balances, state restricted fund
21 projected revenues, and state restricted fund expenditures for the
22 fiscal years ending September 30, 2016 and September 30, 2017.

23 Sec. 223. Before January 31, 2017, the department, in
24 cooperation with the Michigan state waterways commission, shall
25 provide to the state budget director, the senate and house
26 appropriations subcommittees on natural resources, and the senate
27 and house fiscal agencies a list of projects completed by the

1 commission in fiscal year 2015-2016, including the county and
2 municipality in which each project is located.

3 Sec. 234. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:

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

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

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

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

14 (e) Job specifications and wage rates.

15 Sec. 235. The department shall maintain, on a publicly
16 accessible website, a department scorecard that identifies, tracks,
17 and regularly updates key metrics that are used to monitor and
18 improve the agency's performance.

19 Sec. 237. Total authorized appropriations from all sources
20 under part 1 for legacy costs for the fiscal year ending September
21 30, 2017 are \$47,567,500.00. From this amount, total agency
22 appropriations for pension-related legacy costs are estimated at
23 \$26,375,000.00. Total agency appropriations for retiree health care
24 legacy costs are estimated at \$21,192,500.00.

25 **DEPARTMENT INITIATIVES**

26 Sec. 251. From the amounts appropriated in part 1 for invasive

1 species prevention and control, the department shall allocate not
2 less than \$3,600,000.00 for grants for the prevention, detection,
3 eradication, and control of invasive species.

4 Sec. 252. (1) From the amount appropriated in part 1 for
5 invasive species prevention and control, \$250,000.00 is designated
6 for the department to establish a Zika virus mosquito abatement
7 program. The department shall design program guidelines and
8 practices based on the most up-to-date Zika virus research. The
9 department shall produce an annual report on the progress of the
10 program, the migration of the Asian tiger mosquito in Michigan, and
11 other vital statistics. This report will be submitted to the house
12 and senate natural resources committees, the house and senate
13 appropriations subcommittees on natural resources, and the house
14 and senate fiscal agencies by September 30.

15 (2) From the funds appropriated in part 1 for invasive species
16 prevention and control, \$150,000.00 shall be allocated as an
17 interdepartmental grant to the department of health and human
18 services for Zika virus education and outreach, prevention,
19 detection, monitoring, and screening and testing as recommended by
20 the federal Centers for Disease Control and Prevention. By the end
21 of each fiscal quarter of the current fiscal year, the department
22 of health and human services shall report on public health issues
23 in this state related to the Zika virus. The report shall be
24 provided to the house and senate appropriations subcommittees on
25 health and human services and the house and senate fiscal agencies.

26 Sec. 253. (1) The department shall add the Asian tiger
27 mosquito to Michigan's invasive species watch list. The department

1 shall monitor the migration of this species, particularly along the
2 Ohio border in the following counties: Hillsdale, Lenawee, and
3 Monroe.

4 (2) From the appropriation in part 1 for invasive species
5 prevention and control, \$100,000.00 is designated for the
6 department to set traps for the Asian tiger mosquito in the urban
7 areas of the following counties: Hillsdale, Lenawee, and Monroe.

8 **DEPARTMENT SUPPORT SERVICES**

9 Sec. 302. The department may charge land acquisition projects
10 appropriated for the fiscal year ending September 30, 2017, and for
11 prior fiscal years, a standard percentage fee to recover actual
12 costs, and may use the revenue derived to support the land
13 acquisition service charges provided for in part 1.

14 Sec. 303. As appropriated in part 1, the department may charge
15 both application fees and transaction fees related to the exchange
16 or sale of state-owned land or rights in land authorized by part 21
17 of the natural resources and environmental protection act, 1994 PA
18 451, MCL 324.2101 to 324.2162. The fees shall be set by the
19 director of the department at a rate which allows the department to
20 recover its costs for providing these services.

21 **COMMUNICATION AND CUSTOMER SERVICES**

22 Sec. 404. For the purposes of administering the museum store
23 as provided in section 7a of 1913 PA 271, MCL 399.7a, the
24 department is exempt from section 261 of the management and budget
25 act, 1984 PA 431, MCL 18.1261.

1 Sec. 405. As appropriated in part 1, proceeds in excess of
2 costs incurred in the conduct of auctions, sales, or transfers of
3 artifacts no longer considered suitable for the collections of the
4 state historical museum may be expended upon receipt for additional
5 material for the collection. The department shall notify the
6 chairpersons, vice chairpersons, and minority vice chairpersons of
7 the senate and house appropriations subcommittees on natural
8 resources 1 week prior to any auctions or sales. Any unexpended
9 funds may be carried forward into the next succeeding fiscal year.

10 Sec. 406. As appropriated in part 1, funds collected by the
11 department for historical markers; document reproduction and
12 services; conferences, admissions, workshops, and training classes;
13 and the use of specialized equipment, facilities, exhibits,
14 collections, and software shall be used for expenses necessary to
15 provide the required services. The department may charge fees for
16 the aforementioned services, including admission fees. Any
17 unexpended funds may be carried forward into the next succeeding
18 fiscal year.

19 Sec. 408. By October 21, 2016, the department shall submit to
20 the senate and house appropriations subcommittees on natural
21 resources a report on all land transactions approved by the
22 commission in the fiscal year ending September 30, 2016. For each
23 land transaction, the report shall include the size of the parcel,
24 the county and municipality in which the parcel is located, the
25 dollar amount of the transaction, the fund source affected by the
26 transaction, and whether the transaction is by purchase, public
27 auction, transfer, exchange, or conveyance.

1 **WILDLIFE DIVISION**

2 Sec. 504. From the funds appropriated in part 1, the
3 department shall provide a report to the legislature on the use of
4 registration fees collected from privately owned cervid operations.
5 Appropriations in part 1 from cervidae licensing and inspection
6 fees shall not be used for anything other than work directly
7 related to the regulation of privately owned cervid operations in
8 this state.

9 **FISHERIES DIVISION**

10 Sec. 601. (1) From the appropriation in part 1 for aquatic
11 resource mitigation, not more than \$758,000.00 shall be allocated
12 for grants to watershed councils, resource development councils,
13 soil conservation districts, local governmental units, and other
14 nonprofit organizations for stream habitat stabilization and soil
15 erosion control.

16 (2) The fisheries division in the department shall develop
17 priority and cost estimates for all projects recommended for grants
18 under subsection (1).

19 Sec. 603. The department shall provide an annual report to the
20 legislature on use of funding provided for cormorant management.
21 The department shall use general fund/general purpose revenue for
22 this purpose and submit revenue appropriated in part 1 for
23 cormorant management to the United States Department of Agriculture
24 Animal and Plant Health Inspection Service to allow for increased
25 taking of cormorants and their nests. If any funds appropriated for
26 cormorant management are retained by the department, or other funds

1 become available for this purpose, the department shall use those
2 funds to harass cormorants with the goal of reducing foraging
3 attempts on fish populations.

4 **PARKS AND RECREATION DIVISION**

5 Sec. 706. The department shall work with the state budget
6 office to ensure that the funds appropriated in 2013 PA 102 for the
7 Grand River waterway study continue to be carried forward as a work
8 project under the management and budget act, 1984 PA 431, MCL
9 18.1101 to 18.1594, or until the project is complete.

10 **FOREST RESOURCES DIVISION**

11 Sec. 803. In addition to the money appropriated in part 1, the
12 department may receive and expend money from federal sources to
13 provide response to wildfires as required by a compact with the
14 federal government. If additional expenditure authorization is
15 required, the department shall notify the state budget office that
16 expenditure under this section is required. The department shall
17 notify the house and senate appropriations subcommittees on natural
18 resources and the house and senate fiscal agencies of the
19 expenditures under this section by November 1, 2017.

20 Sec. 807. (1) In addition to the funds appropriated in part 1,
21 there is appropriated from the disaster and emergency contingency
22 fund up to \$800,000.00 to cover costs related to any disaster as
23 defined in section 2 of the emergency management act, 1976 PA 390,
24 MCL 30.402.

25 (2) Funds appropriated under subsection (1) shall not be

1 expended unless the state budget director recommends the
2 expenditure and the department notifies the house and senate
3 committees on appropriations. By December 1 each year, the
4 department shall provide a report to the senate and house fiscal
5 agencies and the state budget office on the use of the disaster and
6 emergency contingency fund during the prior fiscal year.

7 (3) If Federal Emergency Management Agency (FEMA)
8 reimbursement is approved for costs paid from the disaster and
9 emergency contingency fund, the federal revenue shall be deposited
10 into the disaster and emergency contingency fund.

11 (4) Unexpended and unencumbered funds remaining in the
12 disaster and emergency contingency fund at the close of the fiscal
13 year shall not lapse to the general fund and shall be carried
14 forward and be available for expenditures in subsequent fiscal
15 years.

16 Sec. 808. (1) From the increased funds appropriated in part 1
17 for forest management and timber market development, the department
18 shall increase the harvest of timber on state forestlands. The
19 purpose of this program expansion is to expand the forest products
20 economy.

21 (2) The department shall identify specific outcomes and
22 performance metrics for this initiative, such as increasing the
23 number of acres prepared for timber sale.

24 Sec. 809. (1) From the increased funds appropriated in part 1
25 for forest fire equipment and forestry investment, the department
26 shall increase funding for the replacement of aging forest fire
27 suppression equipment that is in disrepair. The purpose of the

1 program expansion is to promote rapid, reliable response to
2 wildfires to protect life, property, and timber assets.

3 (2) The department shall identify specific outcomes and
4 performance metrics for this initiative, such as reducing average
5 wildfire response time.

6 LAW ENFORCEMENT

7 Sec. 901. The appropriation in part 1 for snowmobile law
8 enforcement grants shall be used by the department to provide
9 grants to county law enforcement agencies to enforce part 821 of
10 the natural resources and environmental protection act, 1994 PA
11 451, MCL 324.82101 to 324.82161, including rules promulgated under
12 that part and ordinances enacted pursuant to that part. The
13 department shall consider the number of enforcement hours and the
14 number of miles of snowmobile trails in each county in allocating
15 these grants. Any funds not distributed to counties revert back to
16 the snowmobile registration fee subaccount created under section
17 82111 of the natural resources and environmental protection act,
18 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
19 reports to the department on the use of grant money received under
20 this section.

21 Sec. 902. The department shall provide a report on the marine
22 safety grant program to the senate and house appropriations
23 subcommittees on natural resources and the senate and house fiscal
24 agencies by December 1, 2016. The report shall include the
25 following information for the preceding year: the total amount of
26 revenue received for watercraft registrations, the amount deposited

1 into the marine safety fund, and the expenditures made from the
2 marine safety fund, including the amounts expended for department
3 administration, other state agencies, the law enforcement division,
4 and grants to counties. The report shall also include the
5 distribution methodology used by the department to distribute the
6 marine safety grants and a list of the grants and the amounts
7 awarded by county.

8 GRANTS

9 Sec. 1001. Federal pass-through funds to local institutions
10 and governments that are received in amounts in addition to those
11 included in part 1 for grants to communities - federal oil, gas,
12 and timber payments and that do not require additional state
13 matching funds are appropriated for the purposes intended. By
14 November 30, 2016, the department shall report to the senate and
15 house appropriations subcommittees on natural resources, the senate
16 and house fiscal agencies, and the state budget director on all
17 amounts appropriated under this section during the fiscal year
18 ending September 30, 2016.

19 CAPITAL OUTLAY

20 Sec. 1103. The appropriations in part 1 for capital outlay
21 shall be carried forward at the end of the fiscal year consistent
22 with the provisions of section 248 of the management and budget
23 act, 1984 PA 431, MCL 18.1248.

24 ONE-TIME APPROPRIATIONS

1 Sec. 1201. (1) From the increased funds appropriated in part 1
2 for forest management and timber market development, the department
3 shall increase the harvest of timber on state forestlands. The
4 purpose of this program expansion is to strategically invest in
5 technology enhancements to expand the growth of the forest products
6 economy.

7 (2) The department shall identify specific outcomes and
8 performance metrics for this initiative, such as adding online
9 services to increase access to state government.

10 Sec. 1202. (1) From the increased funds appropriated in part 1
11 for land ownership tracking system, the department shall establish
12 a replacement electronic system to facilitate state land records
13 management. The purpose of this new project is to increase access
14 to public land records and to integrate antiquated systems.

15 (2) The department shall identify specific outcomes and
16 performance metrics for this initiative, such as adding online
17 services to increase access to state government.

18 Sec. 1203. (1) From the increased funds appropriated in part 1
19 for invasive species prevention and control, the department shall
20 increase funding available for the interdepartmental invasive
21 species program. The purpose of this program expansion is to
22 prevent, detect, eradicate, and control invasive species.

23 (2) The department shall identify specific outcomes and
24 performance metrics for this initiative, such as prevention and
25 mitigation of confirmed cases of silver and bighead carp in
26 Michigan's waterways.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

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

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY

10	Full-time equated unclassified positions.....	3.0	
11	Full-time equated classified positions.....	3,231.0	
12	GROSS APPROPRIATION.....		\$ 653,971,300
13	Interdepartmental grant and intradepartmental		
14	transfer revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		26,580,400
17	ADJUSTED GROSS APPROPRIATION.....		\$ 627,390,900
18	Federal revenues:		
19	Total federal revenues.....		87,967,800
20	Special revenue funds:		
21	Total local revenues.....		5,828,500
22	Total private revenues.....		78,100
23	Total other state restricted revenues.....		126,358,500
24	State general fund/general purpose.....		\$ 407,158,000
25	State general fund/general purpose schedule:		
26	Ongoing state general fund/general		
27	purpose	395,608,000	

1	One-time state general fund/general		
2	purpose	11,550,000	
3	Sec. 102. UNCLASSIFIED POSITIONS		
4	Full-time equated unclassified positions	3.0	
5	Unclassified positions--3.0 FTE positions		\$ <u>600,200</u>
6	GROSS APPROPRIATION		\$ 600,200
7	Appropriated from:		
8	Interdepartmental grant and intradepartmental		
9	transfer revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		7,400
12	Special revenue funds:		
13	Total other state restricted revenues		388,100
14	State general fund/general purpose		\$ 204,700
15	Sec. 103. EXECUTIVE DIRECTION AND DEPARTMENTAL		
16	SERVICES		
17	Full-time equated classified positions	103.0	
18	Departmentwide expenses		\$ 38,607,700
19	Departmental services--46.0 FTE positions		7,001,900
20	Executive direction--57.0 FTE positions		8,015,800
21	Information technology services and projects		<u>24,425,900</u>
22	GROSS APPROPRIATION		\$ 78,051,300
23	Appropriated from:		
24	Interdepartmental grant and intradepartmental		
25	transfer revenues:		
26	Total interdepartmental grants and intradepartmental		
27	transfers		769,100

1	Federal revenues:	
2	Total federal revenues.....	1,328,000
3	Special revenue funds:	
4	Total local revenues.....	1,133,100
5	Total other state restricted revenues.....	12,231,400
6	State general fund/general purpose.....	\$ 62,589,700
7	Sec. 104. LAW ENFORCEMENT SERVICES	
8	Full-time equated classified positions.....	507.0
9	Biometrics and identification--51.0 FTE positions....	\$ 8,145,400
10	Criminal justice information center--133.0 FTE	
11	positions	18,485,400
12	Forensic science--250.0 FTE positions.....	41,821,900
13	Grants and community services--17.0 FTE positions....	17,584,000
14	Training--56.0 FTE positions.....	<u>13,030,600</u>
15	GROSS APPROPRIATION.....	\$ 99,067,300
16	Appropriated from:	
17	Interdepartmental grant and intradepartmental	
18	transfer revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	6,216,500
21	Federal revenues:	
22	Total federal revenues.....	17,261,400
23	Special revenue funds:	
24	Total local revenues.....	915,300
25	Total other state restricted revenues.....	35,084,000
26	State general fund/general purpose.....	\$ 39,590,100
27	Sec. 105. COMMISSION ON LAW ENFORCEMENT STANDARDS	

1	Full-time equated classified positions.....	18.0	
2	Commission on law enforcement standards--	18.0 FTE	
3	positions		\$ <u>9,899,700</u>
4	GROSS APPROPRIATION.....		\$ 9,899,700
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues.....		175,700
8	Special revenue funds:		
9	Total other state restricted revenues.....		8,830,700
10	State general fund/general purpose.....		\$ 893,300
11	Sec. 106. FIELD SERVICES		
12	Full-time equated classified positions.....	2,088.0	
13	At-post troopers--1,364.0 FTE positions.....		\$ 189,340,200
14	Casino gaming oversight--34.0 FTE positions.....		6,012,000
15	Criminal investigations--287.5 FTE positions.....		51,063,600
16	Michigan International Speedway traffic control.....		400,000
17	Reimbursed services.....		2,307,000
18	Secure cities partnership--30.0 FTE positions.....		7,718,000
19	Tobacco tax fraud investigations--29.5 FTE positions.		5,295,700
20	Uniform services--343.0 FTE positions.....		<u>54,826,800</u>
21	GROSS APPROPRIATION.....		\$ 316,963,300
22	Appropriated from:		
23	Interdepartmental grant and intradepartmental		
24	transfer revenues:		
25	Total interdepartmental grants and intradepartmental		
26	transfers		6,776,800
27	Federal revenues:		

1	Total federal revenues.....	6,590,000
2	Special revenue funds:	
3	Total local revenues.....	2,079,000
4	Total other state restricted revenues.....	44,556,900
5	State general fund/general purpose.....	\$ 256,960,600
6	Sec. 107. SPECIALIZED SERVICES	
7	Full-time equated classified positions.....	514.0
8	Commercial vehicle regulation and enforcement--	216.0
9	FTE positions	\$ 28,378,700
10	Emergency management and homeland security--	85.0 FTE
11	positions	50,048,200
12	Highway safety planning--	26.0 FTE positions.....
13	Special operations--	187.0 FTE positions.....
		<u>32,214,600</u>
14	GROSS APPROPRIATION.....	\$ 126,771,500
15	Appropriated from:	
16	Interdepartmental grant and intradepartmental	
17	transfer revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers	12,810,600
20	Federal revenues:	
21	Total federal revenues.....	62,612,700
22	Special revenue funds:	
23	Total local revenues.....	1,701,100
24	Total private revenues.....	78,100
25	Total other state restricted revenues.....	14,199,400
26	State general fund/general purpose.....	\$ 35,369,600
27	Sec. 108. SECONDARY ROAD PATROL	

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

3 DEPARTMENT OF STATE POLICE

4	Commission on law enforcement standards.....	\$	3,559,700
5	Specialized services		681,900
6	Secondary road patrol program.....		10,957,300
7	School safety initiative		2,000,000
8	Smart 9-1-1 pilot		<u>1,150,000</u>
9	TOTAL.....	\$	18,348,900

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

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

- 14 (a) "CJIS" means Criminal Justice Information Systems.
- 15 (b) "Core service" means that phrase as defined in section 373
16 of the management and budget act, 1984 PA 431, MCL 18.1373.
- 17 (c) "Department" means the department of state police.
- 18 (d) "Director" means the director of the department.
- 19 (e) "DNA" means deoxyribonucleic acid.
- 20 (f) "DTMB" means the department of technology, management, and
21 budget.
- 22 (g) "MCOLES" means the Michigan commission on law enforcement
23 standards.
- 24 (h) "Subcommittees" means the subcommittees of the senate and
25 house standing committees on appropriations with jurisdiction over
26 the budget for the department.
- 27 (i) "Support service" means an activity required to support

1 the ongoing delivery of core services.

2 Sec. 205. Based on the availability of federal funding and the
3 demonstrated need as indicated by applications submitted to the
4 state court administrative office, the department shall provide
5 \$1,500,000.00 in Byrne justice assistance grant program funding to
6 the judiciary by interdepartmental grant.

7 Sec. 206. (1) In addition to the funds appropriated in part 1,
8 there is appropriated an amount not to exceed \$10,000,000.00 for
9 federal contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (2) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$3,500,000.00 for state
15 restricted contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in part 1 under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

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

25 (4) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$200,000.00 for private
27 contingency funds. These funds are not available for expenditure

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

4 Sec. 207. The department shall cooperate with the department
5 of technology, management, and budget to maintain a searchable
6 website accessible by the public at no cost that includes, but is
7 not limited to, all of the following for each department or agency:

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

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

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

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

15 (e) Job specifications and wage rates.

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

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

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

5 Sec. 210. The director shall take all reasonable steps to
6 ensure businesses in deprived and depressed communities compete for
7 and perform contracts to provide services or supplies, or both. The
8 director shall strongly encourage firms with which the department
9 contracts to subcontract with certified businesses in depressed and
10 deprived communities for services or supplies, or both.

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

14 Sec. 218. The departments and agencies receiving
15 appropriations in part 1 shall prepare a report on out-of-state
16 travel expenses not later than January 1 of each year. The travel
17 report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately
19 preceding fiscal year that was funded in whole or in part with
20 funds appropriated in the department's budget. The report shall be
21 submitted to the senate and house appropriations committees, the
22 senate and house fiscal agencies, and the state budget director.
23 The report shall include the following information:

24 (a) The dates of each travel occurrence.

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

1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 219. The department shall provide quarterly reports to
4 the subcommittees, the senate and house fiscal agencies, and the
5 state budget office that provide the following data:

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

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

14 (c) A report on the performance metrics cited or information
15 required to be reported in this part, reasons for nonachievement of
16 metric targets, and proposed corrective actions.

17 Sec. 221. The appropriations in part 1 are for the core
18 services, support services, and work projects of the department,
19 including, but not limited to, the following core services:

20 (a) State security operations.

21 (b) Training.

22 (c) Commission on law enforcement standards.

23 (d) Criminal justice information systems.

24 (e) Forensic analysis and biometric identification.

25 (f) General law enforcement and criminal investigations.

26 (g) Special operations.

27 (h) Commercial vehicle regulation and enforcement.

1 (i) Emergency management and homeland security.

2 (j) Highway safety planning.

3 (k) Secondary road patrol program.

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

10 Sec. 226. (1) When the department provides contractual
11 services to a local unit of government, the department shall be
12 reimbursed for all costs incurred in providing the services,
13 including, but not limited to, retirement and overtime costs.

14 (2) The department shall define service cost models for those
15 services requiring reimbursement.

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

20 (4) This section does not apply to services provided to state
21 agencies.

22 Sec. 228. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total general fund/general purpose appropriations lapses at the
25 close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation
27 lapses by major departmental program or program areas. The report

1 shall be transmitted to the chairpersons of the senate and house
2 appropriations committees, the subcommittees, and the senate and
3 house fiscal agencies.

4 Sec. 229. Within 14 days after the release of the executive
5 budget recommendation, the department shall cooperate with the
6 state budget office to provide the senate and house appropriations
7 chairs, the subcommittees, and the senate and house fiscal agencies
8 with an annual report on estimated state restricted fund balances,
9 state restricted fund projected revenues, and state restricted fund
10 expenditures for the fiscal years ending September 30, 2016 and
11 September 30, 2017.

12 Sec. 230. The department shall maintain, on a publicly
13 accessible website, a department scorecard that identifies, tracks,
14 and regularly updates key metrics that are used to monitor and
15 improve the department's performance.

16 Sec. 232. The department shall serve as an active liaison
17 between the DTMB and state, local, regional, and federal public
18 safety agencies on matters pertaining to the Michigan public safety
19 communications system and shall report user issues to the DTMB.

20 Sec. 233. Total authorized appropriations from all sources
21 under part 1 for legacy costs for the fiscal year ending September
22 30, 2017 are \$133,307,100.00. From this amount, total agency
23 appropriations for pension-related legacy costs are estimated at
24 \$71,007,700.00. Total agency appropriations for retiree health care
25 legacy costs are estimated at \$62,299,400.00.

26 Sec. 238. Money privately donated to the department is
27 appropriated under part 1 to be used for the purposes designated by

1 the donor of the money, if specified.

2 Sec. 240. In addition to the metrics required under section
3 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
4 each new program or program enhancement for which funds in excess
5 of \$500,000.00 are appropriated in part 1, the department shall
6 provide not later than November 1, 2016 a list of program-specific
7 metrics intended to measure its performance based on a return on
8 taxpayer investment. The department shall deliver the program-
9 specific metrics to members of the senate and house subcommittees
10 that have subject matter jurisdiction for this budget, fiscal
11 agencies, and the state budget director. The department shall
12 provide an update on its progress in tracking program-specific
13 metrics and the status of program success at an appropriations
14 subcommittee meeting called for by the subcommittee chair.

15 **EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES**

16 Sec. 301. (1) The department shall provide security services
17 at the State Capitol Complex facilities and the State Secondary
18 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

19 (2) The department shall maintain the staff and resources
20 necessary to respond to emergencies at the State Capitol Complex,
21 State Secondary Complex, House Office Building, Farnum Building,
22 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking
23 Ramp, and other areas as directed.

24 (3) The department may develop a phased approach for improving
25 security at the Capitol Building.

26 (4) The department shall maintain a goal of annually

1 conducting 35,000 property inspections of state owned and leased
2 facilities.

3 **LAW ENFORCEMENT SERVICES**

4 Sec. 401. (1) The department shall development and deliver
5 professional, innovative, and quality training that supports the
6 enforcement and public safety efforts of the criminal justice
7 community.

8 (2) The department shall provide the following performance
9 data as provided under section 219 for average classroom occupancy
10 rate, with an annual goal of at least 55%.

11 (3) The department shall submit a report to the subcommittees
12 and the senate and house fiscal agencies within 60 days of the
13 conclusion of any trooper recruit school. The report shall include
14 the following:

15 (a) The number of veterans and the number of MCOLES-certified
16 police officers who were admitted to and the number who graduated
17 from the recruit school.

18 (b) The total number of recruits who were admitted to the
19 school, the number of recruits who graduated from the school, and
20 the location at which each of these recruits is assigned.

21 (4) The department shall distribute and review course
22 evaluations to ensure that quality training is provided.

23 Sec. 402. (1) In accordance with applicable state and federal
24 laws and regulations, the department shall maintain and ensure
25 compliance with CJIS databases and applications in the support of
26 public safety and law enforcement communities.

1 (2) The department shall improve the accuracy, timeliness, and
2 completeness of criminal history information by conducting a
3 minimum of 30 outreach activities targeted to criminal justice
4 agencies.

5 (3) The department shall provide for the compilation of crime
6 statistics consistent with the uniform crime reporting program and
7 the national incident-based report system.

8 (4) The department shall provide for the compilation and
9 evaluation of traffic crash reports and the maintenance of the
10 state accident data collection system.

11 (5) The department shall make traffic crash information
12 available to the public at a reasonable cost. For bulk access to
13 the accident records in which the vehicle identification number has
14 been collected and computerized, the department shall make those
15 records available to the public at cost, provided that the name and
16 address have been excluded.

17 (6) In accordance with applicable state and federal laws and
18 regulations, the department shall provide for the maintenance and
19 dissemination of criminal history records and juvenile records,
20 including to the extent necessary to exchange criminal history
21 records information with the Federal Bureau of Investigation and
22 other states through the interstate identification index, the
23 National Crime Information Center, and other federal CJIS databases
24 and indices.

25 (7) In accordance with applicable state and federal laws, the
26 department shall provide for the maintenance of records, including
27 criminal history records regarding firearms licensure.

1 (8) The department shall maintain the staff and resources
2 necessary to maintain the sex offender registry and enforce the
3 registration requirements as provided by law.

4 (9) The department shall provide information on the number of
5 background checks processed through the Internet criminal history
6 access tool (ICHAT) as provided in section 219.

7 (10) The following unexpended and unencumbered revenues
8 deposited into the criminal justice information service fee fund
9 shall not lapse to the general fund, but shall be carried forward
10 into the subsequent fiscal year:

11 (a) Fees for fingerprinting and criminal record checks and
12 name-based criminal record checks pursuant to 1935 PA 120, MCL
13 28.271 to 28.273.

14 (b) Fees for application and licensing for initial and renewal
15 concealed pistol licenses pursuant to 1927 PA 372, MCL 28.421 to
16 28.435.

17 (c) Fees for searching, copying, and providing public records
18 pursuant to the freedom of information act, 1976 PA 442, MCL 15.231
19 to 15.246.

20 (d) Revenue from other sources, including, but not limited to,
21 investment and interest earnings.

22 (11) Unexpended and unencumbered revenue generated by state
23 records management system fees shall not lapse to the general fund,
24 but shall be carried forward into the subsequent fiscal year.

25 Sec. 403. (1) The department shall provide forensic testing
26 services to aid in criminal investigations.

27 (2) The department shall ensure its ability to maintain

1 accreditation by the American Society of Crime Laboratory
2 Directors/Laboratory Accreditation Board (ASCLD/LAB), or other
3 federally designated accrediting agency, as provided under 42 USC
4 14132.

5 (3) The department shall provide forensic science services
6 with an average turnaround time of 55 days, assuming an annual
7 caseload volume commensurate with that received in fiscal year
8 2012-2013, and shall achieve a goal of a 30-day average turnaround
9 time across all forensic science disciplines by December 31, 2017.

10 (4) The department shall provide the following data as
11 provided in section 219:

12 (a) The average turnaround time for processing forensic
13 evidence across all disciplines.

14 (b) Forensic laboratory staffing levels, including scientists
15 in training, and vacancies.

16 (c) The number of backlogged cases in each discipline.

17 (5) The department shall maintain the staffing and resources
18 necessary to provide forensic laboratory services with a goal of
19 decreasing the firearms backlog annually until the department
20 maintains a 30-day turnaround time across all disciplines, assuming
21 an annual caseload volume of 5,200 cases received.

22 (6) The department shall maintain the staffing and resources
23 necessary to provide forensic laboratory services with a goal of
24 decreasing the backlog of toxicology cases annually until the
25 department maintains a 30-day turnaround time across all
26 disciplines, assuming an annual caseload volume of 20,000 cases
27 received.

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

5 (8) The department shall maintain the staffing and resources
6 necessary to provide forensic laboratory services with a goal of
7 decreasing the backlog of biology/DNA cases annually until the
8 department maintains a 30-day turnaround time across all
9 disciplines, assuming an annual caseload volume of 10,500
10 biology/DNA cases received.

11 Sec. 404. (1) The biometrics and identification division shall
12 house and manage the automated fingerprint identification system,
13 the statewide network of agency photographs, and combined offender
14 DNA index system biometric databases.

15 (2) The department shall provide data on the number of 10-
16 print and palm-print submissions to the database, with a goal of at
17 least 97% of submissions provided electronically as provided in
18 section 219.

19 (3) The department shall maintain the staffing and resources
20 necessary to have a 28-day average wait time for scheduling a
21 polygraph examination, assuming an annual caseload received
22 commensurate with fiscal year 2012-2013, with a goal of achieving a
23 15-day average wait time.

24 Sec. 405. Not later than October 31 of the subsequent fiscal
25 year, the department shall submit a report to the subcommittees and
26 senate and house fiscal agencies that includes, but is not limited
27 to, all of the following information:

1 (a) Sexual assault kit analysis backlog at the beginning of
2 the current fiscal year.

3 (b) The number of sexual assault kits collected or submitted
4 for analysis during the current fiscal year.

5 (c) The number of sexual assault kits analyzed and the number
6 of associated DNA profiles created and uploaded during the current
7 fiscal year.

8 (d) Sexual assault kit analysis backlog at the ending of the
9 current fiscal year.

10 (e) The average turnaround time to analyze sexual assault kits
11 and to create and upload associated DNA profiles for the current
12 fiscal year.

13 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

14 Sec. 501. (1) MCOLES shall maintain the staffing and resources
15 necessary to exercise the authority, powers, functions, and
16 responsibilities necessary to establish standards for the
17 selection, employment, training, education, licensing, and
18 revocation of all law enforcement officers and provide the basic
19 law enforcement training curriculum for law enforcement training
20 academy programs statewide.

21 (2) MCOLES shall maintain staffing and resources necessary to
22 update law enforcement standards within 120 days of the enactment
23 date of any new legislation.

24 **FIELD SERVICES**

25 Sec. 601. (1) Department enlisted personnel who are employed

1 to enforce traffic laws as provided in section 629e of the Michigan
2 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited
3 from responding to crimes in progress or other emergency situations
4 and are responsible for making every effort to protect all
5 residents of this state.

6 (2) The department shall maintain the staffing and resources
7 necessary to continually work to enhance traffic safety throughout
8 the state and shall dedicate a minimum of 400,000 hours to
9 statewide patrol, of which a minimum of 40,000 shall be committed
10 to distressed cities in this state, and 4,000 shall be committed to
11 Belle Isle.

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

15 (4) The department shall submit a report on or before December
16 1 to the subcommittees and senate and house fiscal agencies
17 regarding the secure cities partnership during the prior fiscal
18 year.

19 Sec. 602. (1) The department shall identify and apprehend
20 criminals through criminal investigations in this state.

21 (2) The department shall maintain the staffing and resources
22 necessary to provide a comparable number of hours investigating
23 crimes as those performed in fiscal year 2012-2013.

24 (3) The department shall maintain the staffing and resources
25 necessary to annually meet or exceed a case clearance rate of 62%.

26 (4) The department shall annually provide 4 training
27 opportunities to local law enforcement partners with the goal of

1 increasing their knowledge of gambling laws, trends, legal issues,
2 and opioid-related investigations.

3 (5) The department shall maintain the staffing and resources
4 necessary to increase the number of opioid-related investigations
5 by 25% above the number of such investigations conducted in the
6 2014-15 fiscal year by multijurisdictional task forces and hometown
7 security teams.

8 Sec. 603. (1) The department shall provide protection to this
9 state, its economy, welfare, and vital state-sponsored programs
10 through the prevention and suppression of organized smuggling of
11 untaxed tobacco products in the state, through enforcement of the
12 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
13 other laws pertaining to combating criminal activity in this state,
14 by maintaining a tobacco tax enforcement unit.

15 (2) The department shall submit an annual report on December 1
16 to the subcommittees, the senate and house appropriations
17 subcommittees on general government, the senate and house fiscal
18 agencies, and the state budget office that details expenditures and
19 activities related to tobacco tax enforcement for the prior fiscal
20 year.

21 (3) The tobacco tax enforcement unit shall dedicate a minimum
22 of 16,600 hours to tobacco tax enforcement.

23 Sec. 604. (1) The department shall provide fire investigation
24 services to citizens of this state through training and
25 investigative assistance to public safety agencies in this state.

26 (2) The department shall maintain the staffing and resources
27 necessary to maintain readiness to respond appropriately to at

1 least the number of requests for fire investigation services that
2 occurred in fiscal year 2010-2011 and shall be available for call
3 out statewide 100% of the time.

4 Sec. 605. The funds appropriated in part 1 for Michigan
5 International Speedway traffic control shall only be expended by
6 the department as matching funds, on a dollar-for-dollar basis, for
7 funds paid to the department by the Michigan International Speedway
8 for traffic control services provided by the department.

9 **SPECIALIZED SERVICES**

10 Sec. 701. (1) The department shall provide specialized
11 services in support of, and to enhance, local, state, and federal
12 law enforcement operations within this state in accordance with all
13 applicable state and federal laws and regulations.

14 (2) The department shall operate the Michigan intelligence
15 operation center for homeland security as the state's primary
16 federally designated fusion center to receive, analyze, gather, and
17 disseminate threat-related information among federal, state, local,
18 tribal, and private sector partners.

19 (3) The department shall ensure public safety by providing
20 public and private sector partners with timely and accurate
21 information regarding critical information key resource threats as
22 reported to or discovered by the Michigan intelligence operations
23 center for homeland security and shall increase public awareness on
24 how to report suspicious activity through website or telephone
25 communications.

26 (4) The department shall maintain the staffing and resources

1 necessary to provide training to maintain readiness to respond
2 appropriately to at least the number of requests for specialty
3 services which occurred in fiscal year 2010-2011.

4 (5) The canine unit shall be available for call out statewide
5 100% of the time.

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

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

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

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

15 (10) The department shall maintain the staffing and resources
16 necessary to support the cyber section, including the Michigan
17 cyber command center, the computer crimes unit, and the Internet
18 crimes against children task force. The department shall maintain
19 the staffing and resources necessary to increase the number of
20 cases completed by the computer crimes unit by 25% above the number
21 of cases completed in the 2014-15 fiscal year.

22 Sec. 702. (1) The department shall maintain commercial vehicle
23 regulation, school bus inspections, and enforcement activities,
24 including enforcement of requirements concerning size, weight, and
25 load restrictions; operating authority; registration; fuel taxes;
26 transportation of hazardous materials; operations of new entrants;
27 and commercial driver's licenses.

1 (2) The department shall maintain the staffing and resources
2 necessary to meet inspection goals consistent with the department's
3 federal motor carrier assistance program activities.

4 Sec. 703. (1) The department shall coordinate the mitigation,
5 preparation, response, and recovery activities of municipal,
6 county, state, and federal governments, and other governmental
7 entities, for all hazards, disasters, and emergencies.

8 (2) The state director of emergency management may expend
9 money appropriated under part 1 to call upon any agency or
10 department of the state or any resource of the state to protect
11 life or property or to provide for the health or safety of the
12 population in any area of the state in which the governor proclaims
13 a state of emergency or state of disaster under 1945 PA 302, MCL
14 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
15 MCL 30.401 to 30.421. The state director of emergency management
16 may expend the amounts the director considers necessary to
17 accomplish these purposes. The director shall submit to the state
18 budget director as soon as possible a complete report of all
19 actions taken under the authority of this section. The report shall
20 contain, as a separate item, a statement of all money expended that
21 is not reimbursable from federal money. The state budget director
22 shall review the expenditures and submit recommendations to the
23 legislature in regard to any possible need for a supplemental
24 appropriation.

25 (3) In addition to the money appropriated in part 1, the
26 department may receive and expend money from local, private,
27 federal, or state sources for the purpose of providing emergency

1 management training to local or private interests and for the
2 purpose of supporting emergency preparedness, response, recovery,
3 and mitigation activity. If additional expenditure authorization in
4 the Michigan administrative information network is approved by the
5 state budget office under this section, the department and the
6 state budget office shall notify the subcommittees and the senate
7 and house fiscal agencies within 10 days after the approval. The
8 notification shall include the amount and source and the additional
9 authorization, the date of its approval, and the projected use of
10 funds to be expended under the authorization.

11 (4) The department shall foster, promote, and maintain
12 partnerships to protect this state and homeland from all hazards.

13 (5) The department shall maintain the staffing and resources
14 necessary to do all of the following:

15 (a) Serve approximately 105 local emergency management
16 preparedness programs and 88 local emergency planning committees in
17 this state.

18 (b) Operate and maintain the state's emergency operations
19 center and provide command and control in support of emergency
20 response services.

21 (c) Maintain readiness, including training and equipment to
22 respond to civil disorders and natural disasters commensurate with
23 the capabilities of fiscal year 2010-2011.

24 (d) Perform hazardous materials response training.

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

1 (7) In addition to the funds appropriated in part 1, there is
2 appropriated from the disaster and emergency contingency fund an
3 amount necessary to cover costs related to any disaster or
4 emergency as defined in the emergency management act, 1976 PA 390,
5 MCL 30.401 to 30.421. Funds shall be expended as provided under
6 sections 18 and 19 of the emergency management act, 1976 PA 390,
7 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
8 administrative code.

9 (8) Funds in the disaster and emergency contingency fund shall
10 not be expended unless the state budget director approves the
11 expenditure and the department and the state budget office notify
12 the senate and house appropriations committees. If expenditures are
13 made from the disaster and emergency contingency fund during a
14 month, the department shall submit monthly reports to the house and
15 senate fiscal agencies detailing the purpose of the expenditures.
16 These monthly reports shall be submitted within 30 days after the
17 end of the month during which funds from the disaster and emergency
18 contingency fund were expended.

19 (9) Upon the declaration of a state of emergency or disaster
20 by the governor pursuant to section 3 of the emergency management
21 act, 1976 PA 390, MCL 30.403, approval of the state budget
22 director, and notification of the subcommittees and house and
23 senate fiscal agencies, the director may expend funds appropriated
24 from any source to any line item within part 1 for the purpose of
25 paying the necessary and reasonable expenses incurred by the
26 department in responding to or mitigating the effects of any
27 emergency or disaster as those terms are defined in section 2 of

1 the emergency management act, 1976 PA 390, MCL 30.402.

2 Sec. 704. The department shall provide for the planning,
3 administration, and implementation of highway traffic safety
4 programs to save lives and reduce injuries on Michigan roads in
5 partnership with other public and private organizations.

6 **SECONDARY ROAD PATROL PROGRAM**

7 Sec. 801. (1) The department shall provide funding to county
8 sheriff departments to patrol secondary roads.

9 (2) The sheriffs' duties under the secondary road patrol
10 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
11 to patrol and monitor traffic violations; to enforce the criminal
12 laws of this state, violations of which are observed by or brought
13 to the attention of the sheriff's department while patrolling and
14 monitoring secondary roads; to investigate accidents involving
15 motor vehicles; and to provide emergency assistance to persons on
16 or near a highway or road the sheriff is patrolling and monitoring.

17 (3) The department shall provide the following information on
18 secondary road patrol activities supported by appropriations in
19 part 1, as provided in section 219:

20 (a) The number of funded full-time equivalent county sheriff
21 secondary road patrol deputies.

22 (b) The number of hours dedicated to patrol under the
23 secondary road patrol program, with an annual goal of at least
24 178,000 hours.

25 (4) The information required to be reported under subsection
26 (3) shall be reported annually.

1 (5) The department shall request of each county receiving a
2 grant, its total budget for all patrol functions from all budget
3 sources.

4 **ONE-TIME APPROPRIATIONS**

5 Sec. 901. (1) Funding appropriated in part 1 for 1-time
6 appropriations for the school safety initiative shall be used to
7 provide competitive grants to public or nonpublic schools, school
8 districts, intermediate school districts, and county sheriffs'
9 departments to purchase technology and equipment to improve the
10 safety and security of school buildings, students, and staff. In
11 addition or as an alternative, a grant application may include a
12 request for money for consultation for the purposes of assessing a
13 school building's or current security situation, ascertaining
14 security vulnerabilities, and analyzing specified security
15 upgrades.

16 (2) Of the grant funds awarded, up to 20% shall be awarded to
17 county sheriffs' departments, with the balance awarded to public or
18 nonpublic schools, school districts, or intermediate school
19 districts without bias toward public or nonpublic institutions.

20 (3) The department shall issue grant guidance and application
21 materials, including required performance measures, no later than
22 November 1, 2016, and shall issue awards no later than February 28,
23 2017.

24 (4) The department shall report on grant activities to the
25 subcommittees and the state budget office by December 1, 2017,
26 including performance outcomes as identified in individual grant

1 agreements.

2 Sec. 902. (1) Funding provided in part 1 for the sexual
3 assault prevention and education initiative shall be used to
4 provide and administer grants to public or nonpublic community
5 colleges, colleges, and universities with a physical presence in
6 the state to address campus sexual assault issues to improve the
7 safety and security of students, faculty, and staff in campus
8 environments in this state.

9 (2) Grant funds awarded shall support sexual assault programs,
10 including education, awareness, prevention, reporting, and
11 bystander intervention programs.

12 (3) The department shall issue awards no later than December
13 1, 2016, with a grant period of 1-year.

14 (4) The department shall report on specific grant awards to
15 the subcommittees and the state budget office by January 15, 2017.
16 The report shall include what institution received each grant and
17 in what amount.

18 (5) The department shall report on grant activities to the
19 subcommittees and the state budget office by January 15, 2018. The
20 report shall include a description of each institution's activities
21 pertaining to its grant.

22 Sec. 903. (1) Funding provided in part 1 for the smart 9-1-1
23 pilot shall be used as matching funds to be paid to local units of
24 government to match up to 1/2 the costs for the implementation of
25 smart 9-1-1.

26 (2) If additional state funds become available for the smart
27 9-1-1 pilot, the total amount to be paid to local units of

1 government shall increase proportionally to provide matching funds
2 equal to the proportional change of the funding increase.

3 (3) It is the intent of the legislature to assist local units
4 of government to implement a standard smart 9-1-1 pilot in order to
5 create a statewide public safety emergency information portal, a
6 hosted supplemental 9-1-1 database containing information entered
7 voluntarily by individuals via a secure website and updated twice
8 annually to reflect the most current information to be
9 automatically delivered to public safety answering points that make
10 the information available to first responders during an emergency,
11 but only when a 9-1-1 call is placed. The funds appropriated in
12 part 1 for smart 9-1-1 pilot shall be used to pay local units of
13 government for 1/2 of the total costs of any, or all, of the
14 following:

15 (a) One year of standard smart 9-1-1 services.

16 (b) Implementation, training, support, maintenance, and
17 standard upgrades will be included with the standard smart 9-1-1
18 service.

19

ARTICLE XVII

20

STATE TRANSPORTATION DEPARTMENT

21

PART 1

22

LINE-ITEM APPROPRIATIONS

23

24

25

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

1	STATE TRANSPORTATION DEPARTMENT	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0
4	Full-time equated classified positions.....	2,912.3
5	GROSS APPROPRIATION.....	\$ 4,114,803,600
6	Total interdepartmental grants and intradepartmental	
7	transfers	4,013,400
8	ADJUSTED GROSS APPROPRIATION.....	\$ 4,110,790,200
9	Federal revenues:	
10	Federal aid - transportation programs.....	1,314,744,000
11	Total federal revenues.....	1,314,744,000
12	Special revenue funds:	
13	Local revenues.....	50,418,500
14	Private revenues.....	100,000
15	Total local and private revenues.....	50,518,500
16	Blue Water Bridge fund.....	42,450,200
17	Comprehensive transportation fund.....	320,500,700
18	Economic development fund.....	45,275,000
19	IRS debt service rebate.....	7,011,800
20	Intercity bus equipment fund.....	100,000
21	Local bridge fund.....	29,875,100
22	Michigan transportation fund.....	1,333,620,100
23	Qualified airport fund.....	8,775,000
24	Rail freight fund.....	6,000,000
25	State aeronautics fund.....	20,238,200
26	State trunkline fund.....	931,681,600
27	Total other state restricted revenues.....	2,745,527,700

1	State general fund/general purpose.....	\$	0
2	Sec. 102. DEBT SERVICE		
3	State trunkline.....	\$	194,076,400
4	Economic development.....		11,612,200
5	Local bridge fund.....		2,406,500
6	Blue Water Bridge fund.....		6,963,900
7	Airport safety and protection plan.....		4,616,400
8	Comprehensive transportation.....		<u>18,249,900</u>
9	GROSS APPROPRIATION.....	\$	237,925,300
10	Appropriated from:		
11	Federal revenues:		
12	Federal aid - transportation programs.....		45,767,900
13	Special revenue funds:		
14	Blue Water Bridge fund.....		6,963,900
15	Comprehensive transportation fund.....		18,249,900
16	Economic development fund.....		11,612,200
17	IRS debt service rebate.....		7,011,800
18	Local bridge fund.....		2,406,500
19	State aeronautics fund.....		4,616,400
20	State trunkline fund.....		141,296,700
21	State general fund/general purpose.....	\$	0
22	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
23	SUPPORT SERVICES		
24	MTF grant to department of environmental quality.....	\$	1,335,100
25	MTF grant to department of state for collection of		
26	revenue and fees		20,000,000
27	MTF grant to department of treasury.....		2,684,100

1	MTF grant to legislative auditor general	315,800
2	STF grant to department of attorney general	2,429,200
3	STF grant to civil service commission	5,847,000
4	STF grant to department of technology, management, and	
5	budget	1,226,000
6	STF grant to department of state police	11,627,600
7	STF grant to department of treasury	157,900
8	STF grant to legislative auditor general	733,500
9	SAF grant to department of attorney general	177,600
10	SAF grant to civil service commission	150,000
11	SAF grant to department of technology, management, and	
12	budget	33,500
13	SAF grant to department of treasury	73,900
14	SAF grant to legislative auditor general	30,300
15	CTF grant to department of attorney general	204,500
16	CTF grant to civil service commission	200,000
17	CTF grant to department of technology, management, and	
18	budget	42,200
19	CTF grant to department of treasury	13,500
20	CTF grant to legislative auditor general	<u>39,000</u>
21	GROSS APPROPRIATION	\$ 47,320,700
22	Appropriated from:	
23	Special revenue funds:	
24	Comprehensive transportation fund	499,200
25	Michigan transportation fund	24,335,000
26	State aeronautics fund	465,300
27	State trunkline fund	22,021,200

1	State general fund/general purpose.....	\$	0
2	Sec. 104. EXECUTIVE DIRECTION		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	29.3	
5	Unclassified salaries.....	\$	754,000
6	Asset management council.....		1,626,400
7	Commission audit--29.3 FTE positions.....		<u>3,335,900</u>
8	GROSS APPROPRIATION.....	\$	5,716,300
9	Appropriated from:		
10	Special revenue funds:		
11	Michigan transportation fund.....		1,626,400
12	State trunkline fund.....		4,089,900
13	State general fund/general purpose.....	\$	0
14	Sec. 105. BUSINESS SUPPORT		
15	Full-time equated classified positions.....	54.0	
16	Business support services--44.0 FTE positions.....	\$	6,756,100
17	Economic development and enhancement programs--10.0		
18	FTE positions		1,633,200
19	Property management.....		7,112,200
20	Worker's compensation.....		<u>1,711,200</u>
21	GROSS APPROPRIATION.....	\$	17,212,700
22	Appropriated from:		
23	Special revenue funds:		
24	Comprehensive transportation fund.....		1,835,100
25	Economic development fund.....		378,100
26	Michigan transportation fund.....		801,100
27	State aeronautics fund.....		752,100

1	State trunkline fund.....	13,446,300
2	State general fund/general purpose.....	\$ 0
3	Sec. 106. INFORMATION TECHNOLOGY	
4	Information technology services and projects.....	\$ <u>32,364,500</u>
5	GROSS APPROPRIATION.....	\$ 32,364,500
6	Appropriated from:	
7	Federal revenues:	
8	Federal aid - transportation programs.....	520,500
9	Special revenue funds:	
10	Blue Water Bridge fund.....	55,100
11	Comprehensive transportation fund.....	224,400
12	Economic development fund.....	37,200
13	Michigan transportation fund.....	293,300
14	State aeronautics fund.....	175,100
15	State trunkline fund.....	31,058,900
16	State general fund/general purpose.....	\$ 0
17	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
18	Full-time equated classified positions.....	186.0
19	Finance, contracts, and support services--186.0 FTE	
20	positions	\$ <u>21,791,700</u>
21	GROSS APPROPRIATION.....	\$ 21,791,700
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG for accounting service center user charges.....	4,013,400
25	Special revenue funds:	
26	Michigan transportation fund.....	1,621,700
27	State trunkline fund.....	16,156,600

1	State general fund/general purpose.....	\$	0
2	Sec. 108. TRANSPORTATION PLANNING		
3	Full-time equated classified positions.....	140.0	
4	Planning services--140.0 FTE positions.....	\$	38,481,100
5	Grants to regional planning councils.....		<u>488,800</u>
6	GROSS APPROPRIATION.....	\$	38,969,900
7	Appropriated from:		
8	Federal revenues:		
9	Federal aid - transportation programs.....		19,250,000
10	Special revenue funds:		
11	Comprehensive transportation fund.....		610,500
12	Michigan transportation fund.....		9,571,400
13	State aeronautics fund.....		15,000
14	State trunkline fund.....		9,523,000
15	State general fund/general purpose.....	\$	0
16	Sec. 109. DESIGN AND ENGINEERING SERVICES		
17	Full-time equated classified positions.....	1,589.3	
18	Program development, delivery, and systems		
19	operations--1,539.3 FTE positions.....	\$	166,199,900
20	Welcome center operations--50.0 FTE positions.....		<u>4,532,800</u>
21	GROSS APPROPRIATION.....	\$	170,732,700
22	Appropriated from:		
23	Federal revenues:		
24	Federal aid - transportation programs.....		23,529,800
25	Special revenue funds:		
26	Michigan transportation fund.....		12,246,000
27	State trunkline fund.....		134,956,900

1	State general fund/general purpose	\$	0
2	Sec. 110. HIGHWAY MAINTENANCE		
3	Full-time equated classified positions.....	743.7	
4	State trunkline operations--743.7 FTE positions	\$	<u>303,948,000</u>
5	GROSS APPROPRIATION.....	\$	303,948,000
6	Appropriated from:		
7	Special revenue funds:		
8	State trunkline fund.....		303,948,000
9	State general fund/general purpose	\$	0
10	Sec. 111. ROAD AND BRIDGE PROGRAMS		
11	State trunkline federal aid and road and bridge		
12	construction	\$	1,068,176,900
13	Local federal aid and road and bridge construction ...		272,511,000
14	Grants to local programs.....		33,000,000
15	Rail grade crossing.....		3,000,000
16	Rail grade crossing - surface improvements		3,000,000
17	Local bridge program.....		27,468,600
18	County road commissions.....		797,470,600
19	Cities and villages.....		<u>444,625,500</u>
20	GROSS APPROPRIATION.....	\$	2,649,252,600
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		1,030,225,800
24	Special revenue funds:		
25	Local funds.....		30,000,000
26	Blue Water Bridge fund.....		28,998,100
27	Local bridge fund.....		27,468,600

1	Michigan transportation fund.....	1,281,096,100
2	State trunkline fund.....	251,464,000
3	State general fund/general purpose.....	\$ 0
4	Sec. 112. BLUE WATER BRIDGE	
5	Full-time equated classified positions.....	41.0
6	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,433,100</u>
7	GROSS APPROPRIATION.....	\$ 6,433,100
8	Appropriated from:	
9	Special revenue funds:	
10	Blue Water Bridge fund.....	6,433,100
11	State general fund/general purpose.....	\$ 0
12	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	
13	Forest roads.....	\$ 5,000,000
14	Rural county urban system.....	2,500,000
15	Target industries/economic redevelopment.....	9,423,700
16	Urban county congestion.....	8,161,900
17	Rural county primary.....	<u>8,161,900</u>
18	GROSS APPROPRIATION.....	\$ 33,247,500
19	Appropriated from:	
20	Special revenue funds:	
21	Economic development fund.....	33,247,500
22	State general fund/general purpose.....	\$ 0
23	Sec. 114. AERONAUTICS SERVICES	
24	Full-time equated classified positions.....	54.0
25	Aviation services--54.0 FTE positions.....	\$ 7,648,800
26	Air service program.....	<u>250,000</u>
27	GROSS APPROPRIATION.....	\$ 7,898,800

1	Appropriated from:		
2	Special revenue funds:		
3	State aeronautics fund.....		7,898,800
4	State general fund/general purpose.....	\$	0
5	Sec. 115. PUBLIC TRANSPORTATION SERVICES		
6	Full-time equated classified positions.....	36.0	
7	Passenger transportation services--36.0 FTE positions	\$	<u>5,740,500</u>
8	GROSS APPROPRIATION.....	\$	5,740,500
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs.....		972,100
12	Special revenue funds:		
13	Comprehensive transportation fund.....		4,768,400
14	State general fund/general purpose.....	\$	0
15	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING		
16	Local bus operating.....	\$	186,250,000
17	Nonurban operating/capital.....		<u>26,027,900</u>
18	GROSS APPROPRIATION.....	\$	212,277,900
19	Appropriated from:		
20	Federal revenues:		
21	Federal aid - transportation programs.....		24,027,900
22	Special revenue funds:		
23	Local funds.....		2,000,000
24	Comprehensive transportation fund.....		186,250,000
25	State general fund/general purpose.....	\$	0
26	Sec. 117. INTERCITY PASSENGER		
27	Full-time equated classified positions.....	39.0	

1	Office of rail--39.0 FTE positions.....	\$	6,427,700
2	Freight property management.....		1,000,000
3	Detroit/Wayne County Port Authority.....		468,200
4	Intercity services.....		6,250,000
5	Rail operations and infrastructure.....		118,894,800
6	Marine passenger service.....		400,000
7	Terminal development.....		<u>300,000</u>
8	GROSS APPROPRIATION.....	\$	133,740,700
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs.....		64,600,000
12	Special revenue funds:		
13	Local funds.....		150,000
14	Private funds.....		100,000
15	Comprehensive transportation fund.....		60,043,000
16	Intercity bus equipment fund.....		100,000
17	Michigan transportation fund.....		2,029,100
18	Rail freight fund.....		6,000,000
19	State trunkline fund.....		718,600
20	State general fund/general purpose.....	\$	0
21	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
22	Specialized services.....	\$	17,938,900
23	Municipal credit program.....		2,000,000
24	Transit capital.....		53,907,100
25	Van pooling.....		195,000
26	Service initiatives.....		2,889,200
27	Transportation to work.....		<u>3,700,000</u>

1	GROSS APPROPRIATION.....	\$	80,630,200
2	Appropriated from:		
3	Federal revenues:		
4	Federal aid - transportation programs.....		26,850,000
5	Special revenue funds:		
6	Local funds.....		5,760,000
7	Comprehensive transportation fund.....		48,020,200
8	State general fund/general purpose.....	\$	0
9	Sec. 119. CAPITAL OUTLAY		
10	(1) BUILDINGS AND FACILITIES		
11	Special maintenance, remodeling, and additions.....	\$	<u>3,001,500</u>
12	GROSS APPROPRIATION.....	\$	3,001,500
13	Appropriated from:		
14	State trunkline fund.....		3,001,500
15	State general fund/general purpose.....		0
16	(2) AIRPORT IMPROVEMENT PROGRAMS		
17	Airport safety, protection, and improvement program..	\$	97,824,000
18	Detroit Metropolitan Wayne County Airport.....		<u>8,775,000</u>
19	GROSS APPROPRIATION.....	\$	106,599,000
20	Appropriated from:		
21	Federal revenues:		
22	Federal aid - transportation programs.....		79,000,000
23	Special revenue funds:		
24	Local funds.....		12,508,500
25	State aeronautics fund.....		6,315,500
26	Qualified airport fund.....		8,775,000
27	State general fund/general purpose.....	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,745,527,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,583,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Grants to regional planning councils.....	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Rail grade crossing - surface improvements.....		3,000,000
Local bridge program.....		27,468,600
Grants to county road commissions.....		797,470,600
Grants to cities and villages.....		444,625,500
Economic development fund.....		23,823,800
Air service program.....		250,000
Local bus operating.....		186,250,000
Detroit/Wayne County Port Authority.....		468,200
Marine passenger service.....		400,000
Terminal development.....		300,000
Specialized services.....		3,853,900
Municipal credit program.....		2,000,000

1	Transit capital.....	37,357,100
2	Service initiatives.....	914,200
3	Transportation to work.....	3,700,000
4	Airport safety, protection, and improvement	
5	program.....	6,315,500
6	Detroit metropolitan Wayne County airport	<u>8,775,000</u>
7	Total payments to local units of government	\$ 1,583,461,200

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

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

- 12 (a) "CTF" means comprehensive transportation fund.
- 13 (b) "Department" means the state transportation department.
- 14 (c) "Director" means the director of the department.
- 15 (d) "DOT" means the United States Department of
- 16 Transportation.
- 17 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 18 (f) "FTE" means full-time equated.
- 19 (g) "IDG" means interdepartmental grant.
- 20 (h) "IRS" means the Internal Revenue Service.
- 21 (i) "MTF" means Michigan transportation fund.
- 22 (j) "SAF" means state aeronautics fund.
- 23 (k) "STF" means state trunkline fund.

24 Sec. 204. The departments and agencies receiving
 25 appropriations in part 1 shall use the Internet to fulfill the
 26 reporting requirements of this part. This requirement may include
 27 transmission of reports via electronic mail to the recipients

1 identified for each reporting requirement, or it may include
2 placement of reports on an Internet or Intranet site.

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

13 Sec. 206. The director shall take all reasonable steps to
14 ensure businesses in deprived and depressed communities compete for
15 and perform contracts to provide services or supplies, or both.
16 Each director shall strongly encourage firms with which the
17 department contracts to subcontract with certified businesses in
18 depressed and deprived communities for services, supplies, or both.

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

1 The report shall include the following information:

2 (a) The dates of each travel occurrence.

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

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

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

23 Sec. 210. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$200,000,000.00 for
25 federal contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item
27 in part 1 pursuant to section 393(2) of the management and budget

1 act, 1984 PA 431, MCL 18.1393.

2 (2) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$40,000,000.00 for state
4 restricted contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 pursuant to section 393(2) of the management and budget
7 act, 1984 PA 431, MCL 18.1393.

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

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

20 Sec. 211. The department shall cooperate with the department
21 of technology, management, and budget to maintain a searchable
22 website accessible by the public at no cost that includes, but is
23 not limited to, all of the following:

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 Sec. 212. Within 14 days after the release of the executive
6 budget recommendation, the department shall cooperate with the
7 state budget office to provide the senate and house appropriations
8 chairs, the senate and house appropriations subcommittees on
9 transportation, respectively, and the senate and house fiscal
10 agencies with an annual report on estimated state restricted fund
11 balances, state restricted fund projected revenues, and state
12 restricted fund expenditures for the fiscal years ending September
13 30, 2016 and September 30, 2017.

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

18 Sec. 214. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2017 are \$70,450,500.00. From this amount, total agency
21 appropriations for pension-related legacy costs are estimated at
22 \$39,063,000.00. Total agency appropriations for retiree health care
23 legacy costs are estimated at \$31,387,500.00.

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

27 Sec. 216. In addition to the metrics required under section

1 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
2 each new program or program enhancement for which funds in excess
3 of \$500,000.00 are appropriated in part 1, the department shall
4 provide not later than November 1, 2016 a list of program-specific
5 metrics intended to measure its performance based on a return on
6 taxpayer investment. The department shall deliver the program-
7 specific metrics to members of the senate and house subcommittees
8 that have subject matter jurisdiction for this budget, fiscal
9 agencies, and the state budget director. The department shall
10 provide an update on its progress in tracking program-specific
11 metrics and the status of program success at an appropriations
12 subcommittee meeting called for by the subcommittee chair.

13 Sec. 217. The department shall provide notice to the speaker
14 of the house, the house minority leader, the senate majority
15 leader, the senate minority leader, the house and senate standing
16 committees on transportation, the appropriate house and senate
17 appropriations subcommittees on transportation, and the house and
18 senate fiscal agencies on proposed federal rule changes related to
19 the department that would require amendments to the laws of this
20 state. The notice shall be given within 30 business days of the
21 proposed federal rule being posted to the federal register and
22 shall include a description of the proposed federal rule, the
23 publication date, the date when public comment closes, the document
24 citation, and a description of the statutory changes needed when
25 the rule is finalized.

26 **DEPARTMENTAL SECTIONS**

1 Sec. 301. (1) The department may establish a fee schedule and
2 collect fees sufficient to cover the costs to issue the permits
3 that the department is authorized by law to issue upon request,
4 unless otherwise stipulated by law. All permit fees are
5 nonrefundable application fees and shall be credited to the
6 appropriate fund to recover the direct and indirect costs of
7 receiving, reviewing, and processing the requests.

8 (2) A bridge authority shall hold 3 public hearings on an
9 increase in any toll charged by the authority at least 30 days
10 before the toll change will become effective. Two of the hearings
11 shall be held within 5 miles of the bridge over which the bridge
12 authority has jurisdiction. One hearing shall be held in Lansing.
13 Public hearings held under this section shall be conducted in
14 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
15 15.275, and shall be conducted so as to provide a reasonable
16 opportunity for public comment, including both spoken and written
17 comments.

18 Sec. 304. If, as a requirement of bidding on a highway
19 project, the department requires a contractor to submit financial
20 or proprietary documentation as to how the bid was calculated, that
21 bid documentation shall be kept confidential and shall not be
22 disclosed other than to a department representative without the
23 contractor's written consent. The department may disclose the bid
24 documentation if necessary to address or defend a claim by a
25 contractor.

26 Sec. 305. (1) The department may permit space on public
27 passenger transportation properties to be occupied by public or

1 private tenants on a competitive market rate basis. The department
2 shall require that revenue from the tenants be placed in an account
3 to be used to pay the costs to maintain and improve the property.

4 (2) The department shall charge public transit agencies and
5 intercity bus carriers equal rates per square foot for leasing
6 space in state-owned intermodal facilities.

7 Sec. 306. (1) The amounts appropriated in part 1 to support
8 tax and fee collection, law enforcement, and other program services
9 provided to the department and to transportation funds by other
10 state departments shall be expended from transportation funds
11 pursuant to annual contracts between the department and those other
12 state departments. The contracts shall be executed prior to the
13 expenditure or obligation of those funds. The contracts shall
14 provide, but are not limited to, the following data applicable to
15 each state department:

16 (a) Estimated costs to be recovered from transportation funds.

17 (b) Description of services provided to the department and/or
18 transportation funds and financed with transportation funds.

19 (c) Detailed cost allocation methods appropriate to the type
20 of services being provided and the activities financed with
21 transportation funds.

22 (2) Not later than 2 months after publication of the state of
23 Michigan comprehensive annual financial report, each state
24 department receiving funding pursuant to an interdepartment
25 contract with the department shall submit a written report to the
26 department, the state budget director, and the house and senate
27 fiscal agencies stating by spending authorization account the

1 amount of estimated funds contracted with the department, the
2 amount of funds expended, the amount of funds returned to the
3 transportation funds, and any unreimbursed transportation-related
4 costs incurred but not billed to transportation funds. A copy of
5 the report shall be submitted to the auditor general, and the
6 report shall be subject to audit.

7 (3) The auditor general shall use a risk-based approach in
8 developing an audit program for the use of transportation funds.

9 Sec. 307. Before March 1 of each year, the department will
10 provide to the legislature, the state budget office, and the house
11 and senate fiscal agencies its rolling 5-year plan listing by
12 county or by county road commission all highway construction
13 projects for the fiscal year and all expected projects for the
14 ensuing fiscal years.

15 Sec. 310. The department shall provide in a timely manner
16 copies of the agenda and approved minutes of monthly transportation
17 commission meetings to the members of the house and senate
18 appropriations subcommittees on transportation, the house and
19 senate fiscal agencies, and the state budget director.

20 Sec. 313. (1) From funds appropriated in part 1, the
21 department may increase a state infrastructure bank program and
22 grant or loan funds in accordance with regulations of the state
23 infrastructure bank program of the United States Department of
24 Transportation. The state infrastructure bank is to be administered
25 by the department for the purpose of providing a revolving, self-
26 sustaining resource for financing transportation infrastructure
27 projects.

1 (2) In addition to funds provided in subsection (1), money
2 received by the state as federal grants, repayment of state
3 infrastructure bank loans, or other reimbursement or revenue
4 received by the state as a result of projects funded by the program
5 and interest earned on that money shall be deposited in the
6 revolving state infrastructure bank fund and shall be available for
7 transportation infrastructure projects. At the close of the fiscal
8 year, any unencumbered funds remaining in the state infrastructure
9 bank fund shall remain in the fund and be carried forward into the
10 succeeding fiscal year.

11 (3) The department shall submit a report to the state budget
12 director, the house and senate appropriations subcommittees on
13 transportation, and the house and senate fiscal agencies on the
14 status of the state infrastructure bank. The report shall be
15 submitted on or before December 1, 2016. The report shall include
16 all of the following:

17 (a) The balance in the state infrastructure bank at September
18 30, 2016, including a breakdown of the balance by cash and cash
19 equivalents, outstanding loans, and balance available for loan to
20 local agencies.

21 (b) A breakdown of the state infrastructure loan balance by
22 amounts designated as originating from federal sources and the
23 amounts originating from nonfederal sources.

24 (c) A list of outstanding loans by agency, original loan
25 amount, project description, loan term, and amount outstanding.

26 Sec. 353. The department shall review its contractor payment
27 process and ensure that all prime contractors are paid promptly.

1 The department shall ensure that prime contractors are in
2 compliance with special provision 109.10 regarding the prompt
3 payment of subcontractors.

4 Sec. 357. When presented with complete local federal aid
5 project submittals, the department shall complete all necessary
6 reviews and inspections required to let local federal aid projects
7 within 120 days of receipt. The department shall implement a system
8 for monitoring the local federal aid project review process.

9 Sec. 375. The department is prohibited from reimbursing
10 contractors or consultants for costs associated with groundbreaking
11 ceremonies, receptions, open houses, or press conferences related
12 to transportation projects funded, in whole or in part, by revenue
13 appropriated in part 1.

14 Sec. 376. The department shall not spend funds appropriated in
15 part 1 for the purpose of examining the potential association
16 between commercial signs, outdoor advertising signs, billboards,
17 digital billboards, or commercial electronic variable message signs
18 and motor vehicle activity or motor vehicle driver behavior.

19 Sec. 381. The department shall require as a condition of each
20 contract or subcontract for construction, maintenance, or
21 engineering services that the prequalified contractor or
22 prequalified subcontractor agree to use the E-Verify system to
23 verify that all persons hired during the contract term by the
24 contractor or subcontractor are legally present and authorized to
25 work in the United States. The department may verify this
26 information directly or may require contractors and subcontractors
27 to verify the information and submit a certification to the

1 department. The department shall report to the house and senate
2 appropriations committees and the house and senate fiscal agencies
3 by March 1 of each year describing the processes it has developed
4 and implemented under provisions of this section. As used in this
5 section, "E-Verify" means an Internet-based system operated by the
6 Department of Homeland Security, U.S. Citizenship and Immigration
7 Services in partnership with the Social Security Administration.

8 Sec. 382. In administering a contract with a county road
9 commission, city, or village that allocates costs of construction
10 or reconstruction of highways, roads, and streets as provided in
11 section 18d of 1951 PA 51, MCL 247.668d, the department shall
12 submit the final cost-sharing bill to the county road commission,
13 city, or village not later than 2 years after the date of the final
14 contract payment to the construction contractor.

15 Sec. 383. (1) The department shall prepare a report on use of
16 department-owned aircraft during the fiscal year ending September
17 30, 2016. With respect to each department-owned aircraft, the
18 report shall include all of the following:

19 (a) Total hours of usage.

20 (b) Description of specific flights including dates of travel,
21 names of passengers including state agency, university, or local
22 government affiliation, travel origin and destination, and total
23 estimated costs associated with the air travel.

24 (2) The report shall be submitted to the senate and house
25 appropriations subcommittees on transportation and the house and
26 senate fiscal agencies no later than February 1, 2017.

27 (3) The department shall maintain a system for recovering the

1 cost of operating department-owned aircraft through charges to
2 aircraft users.

3 (4) From the funds appropriated in part 1, the department is
4 prohibited from transporting legislators or legislative staff on
5 state-owned aircraft without prior approval from the senate
6 majority leader or the speaker of the house of representatives and
7 only when the aircraft is already scheduled by state agencies on
8 related official state business.

9 Sec. 384. (1) Except as otherwise provided in subsection (2),
10 the department shall not obligate the state to expend any state
11 transportation revenue for construction planning or construction of
12 the Detroit River International Crossing or a renamed successor. In
13 addition, except as provided in subsection (2), the department
14 shall not commit the state to any new contract related to the
15 construction planning or construction of the Detroit River
16 International Crossing or a renamed successor that would obligate
17 the state to expend any state transportation revenue. An
18 expenditure for staff resources used in connection with project
19 activities, which expenditure is subject to full and prompt
20 reimbursement from Canada, shall not be considered an expenditure
21 of state transportation revenue.

22 (2) If the legislature enacts specific enabling legislation
23 for the construction of the Detroit River International Crossing or
24 a renamed successor, subsection (1) does not apply once the
25 enabling legislation goes into effect.

26 Sec. 385. (1) The department shall submit reports to the state
27 budget director, the speaker of the house, the house minority

1 leader, the senate majority leader, the senate minority leader, the
2 house and senate appropriations subcommittees on transportation,
3 and the house and senate fiscal agencies on department activities
4 related to all nonconstruction or construction planning activities
5 related to the Detroit River International Crossing or a renamed
6 successor. The initial report shall be submitted on or before
7 December 1, 2016 and shall cover the fiscal year ending September
8 30, 2016.

9 (2) The initial report shall include, at a minimum, all of the
10 following:

11 (a) Department costs incurred in the fiscal year ending
12 September 30, 2016, including employee salaries, wages, benefits,
13 travel, and contractual services, and what activities those costs
14 were related to.

15 (b) Costs of other executive branch agencies incurred in the
16 fiscal year ending September 30, 2016, including employee salaries,
17 wages, benefits, travel, and contractual services, and what
18 activities those costs were related to.

19 (c) A breakdown of the source of funds used for the activities
20 described in subdivisions (a) and (b).

21 (d) A breakdown of reimbursements made by Canada under section
22 384(1) to the state for expenditures for staff resources used in
23 connection with project activities.

24 (e) A narrative description of the status of the Detroit River
25 International Crossing or a renamed successor, including efforts
26 undertaken to implement provisions of the crossing agreement
27 executed June 15, 2012 by representatives of the Canadian

1 government and this state.

2 (3) After submission of the initial report, a subsequent
3 report shall be submitted on March 1, 2017, June 1, 2017, and
4 September 1, 2017 and shall include the same information described
5 in subsection (2) for the applicable previous fiscal quarter.

6 Sec. 393. The department shall promote best practices for
7 public transportation services in this state, including, but not
8 limited to, the following:

9 (a) Transit vehicle rehabilitation to reduce life-cycle cost
10 of public transportation through midlife rehabilitation of transit
11 buses.

12 (b) Cooperation between entities using transit, including
13 school districts, cities, townships, and counties with a view to
14 promoting cost savings through joint purchasing of fuel and other
15 procurements.

16 (c) Coordination of transportation dollars among state
17 departments which provide transit-related services, including the
18 department of health and human services. Priority should be given
19 to use of public transportation services where available.

20 (d) Promotion of intelligent transportation services for buses
21 that incorporate computer and navigation technology to make transit
22 systems more efficient, including stoplight coordinating, vehicle
23 tracking, data tracking, and computerized scheduling.

24 Sec. 394. The department and local road agencies shall make
25 the preservation of their existing road networks a funding
26 priority.

27 Sec. 395. From the funds appropriated in part 1 for state

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1 trunkline federal aid road and bridge construction, the department
2 may expend up to \$10,000,000.00 on highway maintenance activities
3 to support safety-related, high-priority, and other deferred
4 routine maintenance needs on Michigan's state trunkline network.

5 Sec. 396. In soliciting proposals for contractual services,
6 other than construction contracts, the department shall obtain
7 assurance that the respondents have the financial capability,
8 equipment, work force, and prior work experience sufficient to
9 perform the proposed services. [The department shall not expend any funds
appropriated in part 1 for a contract for services to the general public
if the contractor or vendor has not completed the pre-qualification
process for the requested contracted services prior to the request for
proposal or proposal release date.]

10 **FEDERAL**

11 Sec. 402. A portion of the federal DOT-FHWA highway research,
12 planning, and construction funds made available to this state shall
13 be allocated to transportation programs administered by local
14 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
15 247.660o. A local road agency, with respect to a project approved
16 for federal aid funding in a state transportation improvement
17 program, may enter into a voluntary buyout agreement with the
18 department or with another local road agency to exchange the
19 federal aid with state restricted transportation funds as agreed to
20 by the respective parties. The state restricted transportation
21 funds received in exchange for federal aid funds shall be used for
22 the same purpose as the federal aid funds were originally intended.

23 **MICHIGAN TRANSPORTATION FUND**

24 Sec. 501. The money received under the motor carrier act, 1933
25 PA 254, MCL 475.1 to 479.42, and not appropriated to the department

1 of licensing and regulatory affairs or the department of state
2 police is deposited in the Michigan transportation fund.

3 Sec. 503. (1) The funds appropriated in part 1 for the
4 economic development and local bridge programs shall not lapse at
5 the end of the fiscal year but shall carry forward each fiscal year
6 for the purposes for which appropriated in accordance with 1987 PA
7 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
8 247.660.

9 (2) Interest earned in the department of transportation
10 economic development fund and local bridge fund shall remain in the
11 respective funds and shall be allocated to the respective programs
12 based on actual interest earned at the end of each fiscal year.

13 (3) In addition to the funds appropriated in part 1, the
14 department of transportation economic development fund and local
15 bridge fund may receive federal, local, or private funds or
16 restricted source funds such as interest earnings. These funds are
17 appropriated for projects that are consistent with the purposes of
18 the respective funds.

19 (4) None of the funds statutorily dedicated to the
20 transportation economic development fund and local bridge fund
21 shall be diverted to other projects.

22 Sec. 504. Funds from the Michigan transportation fund shall be
23 distributed to the comprehensive transportation fund, the economic
24 development fund, the recreation improvement fund, and the state
25 trunkline fund, in accordance with this part and part 1 and part
26 711 of the natural resources and environmental protection act, 1994
27 PA 451, MCL 324.71101 to 324.71108, and may only be used as

1 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
2 247.675, and part 711 of the natural resources and environmental
3 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

4 Sec. 505. If roads innovation funds are not released by a 1-
5 time concurrent resolution pursuant to section 1j(5) of 1951 PA 51,
6 MCL 247.651j, on or before October 1, 2016, the department shall
7 prepare a report that specifies the portions of total Michigan
8 transportation fund distributions to be withheld from the state
9 trunkline fund and each local road agency. The department shall
10 present the report to the state budget director, the senate and
11 house appropriations subcommittees on transportation, the senate
12 and house standing committees on transportation, and the senate and
13 house fiscal agencies on or before November 1, 2016.

14 **STATE TRUNKLINE FUND**

15 Sec. 604. At the close of the fiscal year, any unencumbered
16 and unexpended balance in the state trunkline fund shall remain in
17 the state trunkline fund and shall carry forward and is
18 appropriated for federal aid road and bridge programs for projects
19 contained in the annual state transportation program.

20 Sec. 612. The department shall establish guidelines governing
21 incentives and disincentives provided under contracts for state
22 trunkline projects. The guidelines shall include specific financial
23 information concerning incentives and disincentives. On or before
24 January 1 of each year, the department shall prepare a report for
25 the immediately preceding fiscal year regarding contract incentives
26 and disincentives. This report shall include a list, by project, of

1 the contractors that received contract incentives and/or
2 disincentives, the amount of the incentives and/or disincentives,
3 the fund source of any incentives, and the number of days that each
4 project was completed either ahead or past the contracted
5 completion date. This report shall be provided to the senate and
6 house appropriations subcommittees on transportation, the senate
7 and house standing committees on transportation, and the senate and
8 house fiscal agencies.

9 **TRANSIT AND RAIL RELATED FUNDS**

10 Sec. 701. The department shall establish an intercity bus
11 equipment and facility fund as a subsidiary fund within the
12 comprehensive transportation fund created under section 10b of 1951
13 PA 51, MCL 247.660b. Proceeds received by this state from the sale
14 of state-owned intercity bus equipment shall be credited to the
15 intercity bus equipment and facility fund for the purchase and
16 repair of intercity bus equipment, as appropriated. Security
17 deposits not returned to a lessee of state-owned intercity bus
18 equipment under terms of the lease agreement shall be credited to
19 the intercity bus equipment and facility fund for the repair of
20 intercity bus equipment, as appropriated. Money received by the
21 department from lease payments for state-owned intercity bus
22 equipment, and facility maintenance charges under terms of leases
23 of state-owned intercity facilities, shall be credited to the
24 intercity bus equipment and facility fund for the purchase and
25 repair of intercity bus equipment or for the maintenance and
26 rehabilitation of state-owned intercity facilities, as

1 appropriated. At the close of the fiscal year, any funds remaining
2 in the intercity bus equipment and facility fund shall remain in
3 the fund and be carried forward into the succeeding fiscal year.

4 Sec. 702. Money that is received by this state as repayment
5 for loans made for rail or water freight capital projects, and as a
6 result of the sale of property or equipment used or projected to be
7 used for rail or water freight projects shall be deposited in the
8 rail freight fund created by section 17 of the state transportation
9 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
10 the fiscal year, any funds remaining in the rail freight fund shall
11 remain in the fund and be carried forward into the succeeding
12 fiscal year.

13 Sec. 706. The Detroit/Wayne County Port Authority shall issue
14 a complete operations assessment and a financial disclosure
15 statement. The operations assessment shall include operational
16 goals for the next 5 years and recommendations to improve land
17 acquisition and development efficiency. The report shall be
18 completed and submitted to the house of representatives and senate
19 appropriations subcommittees on transportation, the state budget
20 director, and the house and senate fiscal agencies by February 15
21 of each fiscal year for the prior fiscal year.

22 Sec. 711. (1) As prescribed in subsection (2), the department
23 shall submit reports to the state budget director, the house and
24 senate appropriations subcommittees on transportation, and the
25 house and senate fiscal agencies on rail passenger service provided
26 by Amtrak under a contractual agreement with the department. The
27 report shall be submitted on or before May 1 of each year.

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

2 (a) Passenger counts for the preceding fiscal year for each of
3 the 3 Amtrak routes in Michigan.

4 (b) Revenue and operating expenses by Amtrak route.

5 (c) Total state operating payments to Amtrak in the preceding
6 fiscal year by Amtrak route.

7 (d) A discussion of major factors affecting route costs and
8 revenue and net state costs in the preceding fiscal year, and
9 factors affecting route costs and revenue and net state costs
10 anticipated in the current and future fiscal years.

11 Sec. 713. On or before November 1, 2016, the department shall
12 report to the state budget director, the house and senate
13 appropriations subcommittees on transportation, and the house and
14 senate fiscal agencies on the status of commuter rail demonstration
15 projects in the state, including the disposition of rail cars
16 leased by the department for commuter rail service.

17 Sec. 735. For the fiscal year ending September 30, 2017, the
18 appropriation to a street railway pursuant to section 10e(22) of
19 1951 PA 51, MCL 247.660e, is \$0.

20 AERONAUTICS FUND

21 Sec. 801. Except as otherwise provided in section 903 for
22 capital outlay, at the close of the fiscal year, any unobligated
23 and unexpended balance in the state aeronautics fund created in the
24 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
25 to 259.208, shall lapse to the state aeronautics fund and be
26 appropriated by the legislature in the immediately succeeding

1 fiscal year.

2 Sec. 802. The legislature encourages the department to find
3 private entities or local public agencies to assume ownership and
4 operating responsibility for airports currently owned by the
5 department.

6 **CAPITAL OUTLAY**

7 Sec. 901. (1) From federal-state-local project appropriations
8 contained in part 1 for the purpose of assisting political entities
9 and subdivisions of this state in the construction and improvement
10 of publicly used airports and landing fields within this state, the
11 state transportation department may permit the award of contracts
12 on behalf of units of local government for the authorized locations
13 not to exceed the indicated amounts, of which the state allocated
14 portion shall not exceed the amount appropriated in part 1.

15 (2) Political entities and subdivisions shall provide not less
16 than 5% of the cost of any project under this section, unless a
17 total nonfederal share greater than 10% is otherwise specified in
18 federal law. State money shall not be allocated until local money
19 is allocated. State money for any 1 project shall not exceed 1/3 of
20 the total appropriation in part 1 from state funds for airport
21 improvement programs.

22 (3) The Michigan aeronautics commission may take those steps
23 necessary to match federal money available for airport construction
24 and improvement within this state and to meet the matching
25 requirements of the federal government. Whether acting alone or
26 jointly with another political subdivision or public agency or with

1 this state, a political subdivision or public agency of this state
2 shall not submit to any agency of the federal government a project
3 application for airport planning or development unless it is
4 authorized in this part and part 1 and the project application is
5 approved by the governing body of each political subdivision or
6 public agency making the application and by the Michigan
7 aeronautics commission.

8 Sec. 903. The appropriations in part 1 for capital outlay
9 shall be carried forward at the end of the fiscal year consistent
10 with the provisions of section 248 of the management and budget
11 act, 1984 PA 431, MCL 18.1248.