

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

Communication of employee with legislative member or staff.

Sec. 226. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sale of department property; notification.

Sec. 227. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.

Legal services.

Sec. 228. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Regional training institute conference center account.

Sec. 229. There is hereby created and established under the jurisdiction and control of the department a revolving account to be known as the regional training institute conference center account. All of the fees and other revenues generated from the operation of the regional training institute conference center shall be deposited in the regional training institute conference center account. Appropriations shall be made from the account for the support of program operations and the maintenance and operations of the regional training institute, the construction and maintenance of morale, welfare, and recreation facilities on Fort Custer or training areas within Michigan, and shall not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the regional training institute conference center account to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director at the end of the fiscal year.

Regional training institute conference center.

Sec. 230. The regional training institute conference center shall be available but not limited to the following:

(a) Military personnel.

- (b) Federal, state, and local government agencies.
- (c) Educational institutions.
- (d) Nonprofit corporations or associations organized pursuant to the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192.
- (e) Community service clubs.
- (f) Groups of persons with disabilities.
- (g) Members of the legislature for the purposes related to the business of the legislature.
- (h) Entities and organizations that wish to use the conference center to host an event that has a military agenda.

Policy change; rules applying to small business; definitions.

Sec. 231. (1) The department shall report no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

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

(3) As used in this section:

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

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

Contingency funds.

Sec. 232. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

HEADQUARTERS AND ARMORIES

Renting armory or using distance learning network; rental equipment usage fees.

Sec. 301. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

Challenge program.

Sec. 302. (1) The funds appropriated in this act for private donations to the challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(2) The department may charge a parent or guardian of a participant in the challenge program a fee for participating in the program if the participant is a member of a family with an income that exceeds 200% of the federal poverty guidelines as published by the United States department of health and human services. The amount charged the parent or guardian shall not exceed the per-student state share cost of administering the program. The parent or guardian shall be notified of any charge to be assessed under this subsection prior to enrollment of the child in the program.

Challenge program; identification of eligible youth.

Sec. 304. The department will partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

VETERANS SERVICE ORGANIZATIONS

Veterans service organizations; grants.

Sec. 501. (1) Money appropriated in part 1 for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.

(2) To receive a grant from the money appropriated in part 1, a veterans service organization shall meet the following eligibility requirements:

- (a) Be congressionally chartered by the United States congress.
- (b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.
- (c) Demonstrate the receipt of monetary or service support from its own organization.
- (d) Comply with the department's and the legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3).
- (e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years before receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house

fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office on forms as prescribed by the department.

(3) A veterans service organization receiving a grant from the money appropriated in part 1 shall file with the department an accounting of its expenditures, audited and certified by a certified public accountant, within 120 days after the organization's fiscal year end. Each organization shall provide a detailed budget request for the fiscal year ending September 30, 2009 to the department by November 15, 2007. Each veterans service organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 2007 to the department by January 31, 2008. The listing of volunteer hours shall include the hours, services, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. Each veterans service organization shall provide a copy of the most recent and completed internal revenue service form 990 to the department at the end of the fiscal year ending September 30, 2007. A veterans service organization receiving a grant from the money appropriated in part 1 shall use the forms recommended by the Michigan veterans organizations rehabilitation and veterans service committee for filing reports required by this act. The department shall forward information required under this section to the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office.

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

(5) To accomplish the goal of subsection (4), the veterans service directors committee and the department shall take steps to increase their responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans. The veterans service directors committee and the department shall involve county veterans counselors and representatives from the Michigan veterans trust fund to work in concert to identify, implement, and evaluate steps to do all of the following:

(a) Increase the veterans service directors committee and the department's role in working directly with the United States department of veterans' affairs to enhance the delivery of services to Michigan veterans.

(b) Increase the number of initial claims filed with the United States department of veterans' affairs on behalf of veterans for service-connected disability or pension benefits. The veterans service directors committee and the department may work toward either an absolute increase of approved claims or an increase in the percentage of Michigan veterans with approved claims.

(c) Develop methods to increase rates of recovery paid by the United States department of veterans' affairs to Michigan veterans either by an increase in compensation paid per approved claim or increase in compensation paid on a per capita basis.

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

(e) Increase either the number or percentage of Michigan veterans enrolled in the VA health care system.

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

(g) Review each grant recipient's performance under the program and require that performance be a major consideration in the future funding of each grant recipient.

(h) Identify areas of redundancy which may exist among services provided by veterans service organizations grantees, Michigan veterans trust fund county committees, and county veterans counselors and provide a proposal on how any redundancies may be minimized and identify specific cost savings which could result.

(6) The veterans service directors committee and the department shall create a report of the efforts to complete the goals outlined in this section and shall provide suggestions on how a more effective and efficient veterans' benefits counseling program may best be designed for implementation for fiscal year 2008-2009. This report shall be delivered to the house and senate appropriations subcommittees no later than March 1, 2008.

VETERANS' HOMES

Grand Rapids veterans' home and D.J. Jacobetti veterans' home; use of appropriations.

Sec. 601. Appropriations in this act for the Grand Rapids veterans' home and the D. J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

Grand Rapids veterans' home and D.J. Jacobetti veterans' home; report.

Sec. 602. The Grand Rapids veterans' home and the D. J. Jacobetti veterans' home, together with the department and the department of management and budget, shall produce and deliver to the senate and house of representatives appropriations subcommittees on state police and military affairs an annual written report. The report shall include an accounting of member populations and bed space available; a description and accounting of services and activities provided to members; financial information; current state nursing home licensure status; the steps required for Medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward Medicaid certification. The annual report shall be submitted to the senate and house of representatives appropriations subcommittees on military affairs no later than February 1, 2008.

Boards of managers; expenditures.

Sec. 603. The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids veterans' home and the D. J. Jacobetti veterans' home.

Alteration of spending plan by board of managers of post and posthumous funds; report.

Sec. 604. The department shall, prior to altering the spending plan by the board of managers of post and posthumous funds, report to the appropriate senate and house appropriations subcommittees 30 days prior to that action and shall indicate the rationale for that decision.

VETERANS' TRUST FUND

Michigan veterans' trust fund; report.

Sec. 703. By April 1, 2008, the department shall submit to the senate and house of representatives appropriations subcommittees on military affairs and the state budget office a detailed annual report of the Michigan veterans' trust fund for fiscal year 2006-2007. The report shall include information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency

grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department’s efforts to reduce program administrative costs and restore the Michigan veterans’ trust fund corpus to its original amount of \$50,000,000.00.

County veterans; counselors; training.

Sec. 704. The Michigan veterans affairs directorate administration and the Michigan veterans’ trust fund administration shall take steps to assist the county veterans counselors of the state to obtain training necessary for the execution of their duties.

This act is ordered to take immediate effect.
Approved October 31, 2007.
Filed with Secretary of State October 31, 2007.



[No. 127]

(SB 229)

AN ACT to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2008; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, executive office, legislative branch, and certain other state purposes.

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the departments of attorney general, civil rights, information technology, management and budget, state, and treasury, the executive office, the legislative branch, and certain other state purposes, for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY:

| | | |
|------------------------------------------------|---------|------------------|
| Full-time equated unclassified positions | 49.0 | |
| Full-time equated classified positions | 7,278.9 | |
| GROSS APPROPRIATION | | \$ 3,123,867,900 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|---------------------------------------------------------------------|---------------------------------------------|
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | \$ 646,767,400 |
| ADJUSTED GROSS APPROPRIATION | \$ 2,477,100,500 |
| Federal revenues: | |
| Total federal revenues | 108,396,800 |
| Special revenue funds: | |
| Total local revenues..... | 2,800,700 |
| Total private revenues..... | 1,262,900 |
| Total other state restricted revenues | 1,703,781,000 |
| State general fund/general purpose | \$ 660,859,100 |

Department of attorney general.

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

| | |
|------------------------------------------------|---------------|
| Full-time equated unclassified positions | 6.0 |
| Full-time equated classified positions | 556.0 |
| GROSS APPROPRIATION | \$ 73,124,200 |

Interdepartmental grant revenues:

| | |
|---------------------------------------------------------------------|---------------|
| Total interdepartmental grants and intradepartmental transfers..... | 21,780,300 |
| ADJUSTED GROSS APPROPRIATION | \$ 51,343,900 |

Federal revenues:

| | |
|------------------------------|-----------|
| Total federal revenues | 7,816,000 |
|------------------------------|-----------|

Special revenue funds:

| | |
|---------------------------------------------|---------------|
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 11,491,300 |
| State general fund/general purpose | \$ 32,036,600 |

(2) ATTORNEY GENERAL OPERATIONS

| | |
|--------------------------------------------------------------------|---------------|
| Full-time equated unclassified positions | 6.0 |
| Full-time equated classified positions | 556.0 |
| Attorney general..... | \$ 124,900 |
| Unclassified positions—5.0 FTE positions..... | 476,300 |
| Attorney general operations—519.0 FTE positions..... | 66,825,900 |
| Child support enforcement—25.0 FTE positions..... | 2,943,100 |
| Prosecuting attorneys coordinating council—12.0 FTE positions..... | 1,986,100 |
| GROSS APPROPRIATION | \$ 72,356,300 |

Appropriated from:

Interdepartmental grant revenues:

| | |
|----------------------------------------------------------------|-----------|
| IDG from MDCH, health services..... | 1,840,200 |
| IDG from MDCH, WIC | 70,000 |
| IDG from DOC | 279,100 |
| IDG from MDE | 50,000 |
| IDG from MDEQ | 1,740,000 |
| IDG from MDHS | 3,329,300 |
| IDG from MDLEG, career education services..... | 186,100 |
| IDG from MDLEG, children's protection registry | 36,200 |
| IDG from MDLEG, financial and insurance services | 1,102,100 |
| IDG from MDLEG, homeowners construction lien recovery fund ... | 304,900 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|--------------------------------------------------------------------------------|---------------------------------------------|
| IDG from MDLEG, licensing and regulation fees..... | \$ 175,700 |
| IDG from MDLEG, Michigan occupational safety and health administration..... | 98,700 |
| IDG from MDLEG, Michigan state housing development authority..... | 518,500 |
| IDG from MDLEG, remonumentation fees..... | 77,500 |
| IDG from MDLEG, unemployment insurance agency..... | 1,627,100 |
| IDG from MDMB, risk management revolving fund..... | 1,356,400 |
| IDG from DMVA..... | 118,900 |
| IDG from MDOT, comprehensive transportation fund..... | 159,000 |
| IDG from MDOT, state aeronautics fund..... | 156,900 |
| IDG from MDOT, state trunkline fund..... | 2,807,200 |
| IDG from MDSP, Michigan justice training fund..... | 325,000 |
| IDG from MDSP..... | 279,100 |
| IDG from Michigan gaming control board..... | 1,085,300 |
| IDG from treasury..... | 3,927,900 |
| IDG from treasury, strategic fund..... | 129,200 |
| Federal revenues: | |
| DAG, state administrative match grant/food stamps..... | 387,700 |
| Federal funds..... | 2,485,800 |
| HHS, medical assistance, medigra..... | 649,200 |
| HHS-OS, state Medicaid fraud control units..... | 4,293,300 |
| Special revenue funds: | |
| Antitrust enforcement collections..... | 650,000 |
| Attorney general's operations fund..... | 873,400 |
| Auto repair facilities fees..... | 233,600 |
| Franchise fees..... | 299,200 |
| Game and fish protection fund..... | 767,800 |
| Liquor purchase revolving fund..... | 1,059,600 |
| Manufactured housing fees..... | 196,300 |
| Merit award trust fund..... | 406,700 |
| Prisoner reimbursement..... | 460,800 |
| Prosecuting attorneys' training fees..... | 375,000 |
| Public utility assessments..... | 1,830,600 |
| Real estate enforcement fund..... | 550,000 |
| Reinstatement fees..... | 160,000 |
| Retirement funds..... | 754,600 |
| Second injury fund..... | 999,800 |
| Self-insurers security fund..... | 174,400 |
| Silicosis and dust disease fund..... | 533,700 |
| State building authority revenue..... | 98,200 |
| State lottery fund..... | 248,700 |
| Utility consumers fund..... | 559,700 |
| Waterways fund..... | 100,200 |
| Worker's compensation administrative revolving fund..... | 159,000 |
| State general fund/general purpose..... | \$ 31,268,700 |
| (3) INFORMATION TECHNOLOGY | |
| Information technology services and projects..... | \$ 767,900 |
| GROSS APPROPRIATION..... | \$ 767,900 |

For Fiscal Year
Ending Sept. 30,
2008

Appropriated from:
State general fund/general purpose \$ 767,900

Department of civil rights.

Sec. 103. DEPARTMENT OF CIVIL RIGHTS

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions5.0
 Full-time equated classified positions136.0
 GROSS APPROPRIATION \$ 14,491,300
 Interdepartmental grant revenues:
 Total interdepartmental grants and intradepartmental transfers..... 0
 ADJUSTED GROSS APPROPRIATION \$ 14,491,300
 Federal revenues:
 Total federal revenues 2,054,100
 Special revenue funds:
 Total local revenues 0
 Total private revenues 0
 Total other state restricted revenues 0
 State general fund/general purpose \$ 12,437,200

(2) CIVIL RIGHTS OPERATIONS

Full-time equated unclassified positions5.0
 Full-time equated classified positions136.0
 Unclassified positions—5.0 FTE positions \$ 264,700
 Civil rights operations—136.0 FTE positions 13,433,100
 Human resources optimization user charges 8,700
 GROSS APPROPRIATION \$ 13,706,500

Appropriated from:
 Federal revenues:
 EEOC, state and local antidiscrimination agency contracts 1,283,500
 HUD, grant 770,600
 State general fund/general purpose \$ 11,652,400

(3) INFORMATION TECHNOLOGY

Information technology services and projects \$ 784,800
 GROSS APPROPRIATION \$ 784,800
 Appropriated from:
 State general fund/general purpose \$ 784,800

Executive office.

Sec. 104. EXECUTIVE OFFICE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions10.0
 Full-time equated classified positions74.2
 GROSS APPROPRIATION \$ 5,317,300
 Interdepartmental grant revenues:
 Total interdepartmental grants and intradepartmental transfers..... 0
 ADJUSTED GROSS APPROPRIATION \$ 5,317,300
 Federal revenues:
 Total federal revenues 0

For Fiscal Year
Ending Sept. 30,
2008

| | |
|------------------------------------------------|--------------|
| Special revenue funds: | |
| Total local revenues..... | \$ 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 5,317,300 |
| (2) EXECUTIVE OFFICE OPERATIONS | |
| Full-time equated unclassified positions | 10.0 |
| Full-time equated classified positions..... | 74.2 |
| Governor..... | \$ 177,000 |
| Lieutenant governor | 123,900 |
| Executive office—74.2 FTE positions..... | 4,166,600 |
| Unclassified positions—8.0 FTE positions..... | 849,800 |
| GROSS APPROPRIATION | \$ 5,317,300 |
| Appropriated from: | |
| State general fund/general purpose | \$ 5,317,300 |

Department of information technology.

Sec. 105. DEPARTMENT OF INFORMATION

TECHNOLOGY

(1) APPROPRIATION SUMMARY

| | |
|---------------------------------------------------------------------|----------------|
| Full-time equated unclassified positions | 6.0 |
| Full-time equated classified positions | 1,774.4 |
| GROSS APPROPRIATION | \$ 428,868,100 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 428,868,100 |
| ADJUSTED GROSS APPROPRIATION | \$ 0 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 0 |

(2) ADMINISTRATION

| | |
|----------------------------------------------------|----------------|
| Full-time equated unclassified positions | 6.0 |
| Full-time equated classified positions | 1,774.4 |
| Unclassified positions—6.0 FTE positions..... | \$ 300,000 |
| Enterprisewide services—75.0 FTE positions | 22,980,300 |
| Health and human services—773.6 FTE positions..... | 247,847,100 |
| Education services—38.9 FTE positions..... | 3,569,000 |
| Public protection—302.0 FTE positions | 47,779,000 |
| Resources services—171.1 FTE positions | 17,372,300 |
| Transportation services—107.0 FTE positions | 28,145,500 |
| General services—306.8 FTE positions..... | 60,874,900 |
| GROSS APPROPRIATION | \$ 428,868,100 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from department of agriculture | 1,531,500 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|-----------------------------------------------------------|---------------------------------------------|
| IDG from department of attorney general | \$ 767,900 |
| IDG from civil rights..... | 784,800 |
| IDG from civil service..... | 3,838,000 |
| IDG from department of community health..... | 51,876,600 |
| IDG from department of corrections | 17,633,200 |
| IDG from department of education | 2,826,400 |
| IDG from department of environmental quality..... | 7,466,300 |
| IDG from Michigan gaming control board..... | 1,320,000 |
| IDG from department of history, arts, and libraries..... | 1,099,200 |
| IDG from department of human services | 154,450,500 |
| IDG from department of labor and economic growth..... | 42,799,100 |
| IDG from bureau of state lottery | 4,549,600 |
| IDG from department of management and budget..... | 28,598,900 |
| IDG from department of military and veterans affairs..... | 1,187,500 |
| IDG from department of natural resources..... | 8,901,700 |
| IDG from department of state | 24,415,600 |
| IDG from department of state police..... | 27,937,000 |
| IDG from department of transportation | 28,483,300 |
| IDG from department of treasury..... | 18,401,000 |
| State general fund/general purpose | \$ 0 |

Legislature.

Sec. 106. LEGISLATURE

(1) APPROPRIATION SUMMARY

| | |
|---------------------------------------------------------------------|----------------|
| GROSS APPROPRIATION | \$ 114,504,000 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 114,504,000 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 400,000 |
| Total other state restricted revenues | 1,109,800 |
| State general fund/general purpose | \$ 112,994,200 |

(2) LEGISLATURE

| | |
|------------------------------------------|---------------|
| Senate | \$ 29,126,400 |
| Senate automated data processing..... | 2,549,600 |
| Senate fiscal agency | 3,219,200 |
| House of representatives | 45,515,800 |
| House automated data processing..... | 2,024,900 |
| House fiscal agency | 3,219,200 |
| GROSS APPROPRIATION | \$ 85,655,100 |
| Appropriated from: | |
| State general fund/general purpose | \$ 85,655,100 |

(3) LEGISLATIVE COUNCIL

| | |
|-----------------------------------------------------------|---------------|
| Legislative council | \$ 10,014,100 |
| Legislative service bureau automated data processing..... | 1,374,800 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|---------------------------------------------------------------------|---------------------------------------------|
| Worker’s compensation | \$ 133,000 |
| National association dues | 97,900 |
| GROSS APPROPRIATION | \$ 11,619,800 |
| Appropriated from: | |
| Special revenue funds: | |
| Private - gifts and bequests revenues | 400,000 |
| State general fund/general purpose | \$ 11,219,800 |
| (4) LEGISLATIVE RETIREMENT SYSTEM | |
| General nonretirement expenses | \$ 4,533,900 |
| GROSS APPROPRIATION | \$ 4,533,900 |
| Appropriated from: | |
| Special revenue funds: | |
| Court fees..... | 1,109,800 |
| State general fund/general purpose | \$ 3,424,100 |
| (5) PROPERTY MANAGEMENT | |
| Capitol building..... | \$ 2,363,700 |
| Cora Anderson building..... | 8,763,600 |
| Farnum building and other properties | 1,567,900 |
| GROSS APPROPRIATION | \$ 12,695,200 |
| Appropriated from: | |
| State general fund/general purpose | \$ 12,695,200 |
| Legislative auditor general. | |
| Sec. 107. LEGISLATIVE AUDITOR GENERAL | |
| (1) APPROPRIATION SUMMARY | |
| GROSS APPROPRIATION | \$ 15,828,200 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 1,801,500 |
| ADJUSTED GROSS APPROPRIATION | \$ 14,026,700 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 1,539,900 |
| State general fund/general purpose | \$ 12,486,800 |
| (2) OFFICE OF THE AUDITOR GENERAL | |
| Unclassified positions..... | \$ 313,500 |
| Field operations | 15,514,700 |
| GROSS APPROPRIATION | \$ 15,828,200 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from MDCS..... | 107,900 |
| IDG from MDLEG, liquor purchase revolving fund..... | 11,300 |
| IDG from MDOT, comprehensive transportation fund..... | 25,200 |
| IDG from MDOT, Michigan transportation fund..... | 204,300 |
| IDG from MDOT, state aeronautics fund..... | 19,600 |
| IDG from MDOT, state trunkline fund..... | 474,600 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|---------------------------------------------------------------|---------------------------------------------|
| IDG, single audit act | \$ 958,600 |
| Special revenue funds: | |
| Cadillac local development finance authority | 12,000 |
| Clean Michigan initiative implementation bond fund | 37,500 |
| Commercial mobile radio system emergency telephone fund | 37,500 |
| Construction lien fund | 7,200 |
| Contract audit administration fees..... | 52,700 |
| Correctional industries revolving fund | 31,300 |
| Fee adequacy, air quality delegated authority..... | 9,400 |
| Game and fish protection fund | 21,400 |
| Legislative retirement system | 18,700 |
| Marine safety fund | 1,900 |
| Michigan economic development corporation | 41,200 |
| Michigan education trust fund..... | 30,000 |
| Michigan justice training commission fund | 28,100 |
| Michigan state fair revolving fund | 33,000 |
| Michigan state housing development authority fees..... | 22,100 |
| Michigan strategic fund | 87,500 |
| Michigan tobacco settlement authority | 75,000 |
| Michigan veterans' trust fund | 24,400 |
| Motor transport revolving fund | 4,700 |
| Office services revolving fund | 6,800 |
| State disbursement unit, office of child support | 25,000 |
| State services fee fund | 926,900 |
| Waterways fund | 5,600 |
| State general fund/general purpose | \$ 12,486,800 |

Department of management and budget.

Sec. 108. DEPARTMENT OF MANAGEMENT AND

BUDGET

(1) APPROPRIATION SUMMARY

| | | |
|--------------------------------------------------------------------|-------------|----------------|
| Full-time equated unclassified positions | 7.0 | |
| Full-time equated classified positions | 988.0 | |
| GROSS APPROPRIATION | | \$ 504,898,400 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers.... | 162,686,100 | |
| ADJUSTED GROSS APPROPRIATION | | \$ 342,212,300 |
| Federal revenues: | | |
| Total federal revenues | 4,779,100 | |
| Special revenue funds: | | |
| Total local revenues..... | 1,700,000 | |
| Total private revenues..... | 150,000 | |
| Total other state restricted revenues | 68,104,000 | |
| State general fund/general purpose | | \$ 267,479,200 |

(2) MANAGEMENT AND BUDGET SERVICES

| | | |
|------------------------------------------------|-------|------------|
| Full-time equated unclassified positions | 6.0 | |
| Full-time equated classified positions | 584.0 | |
| Unclassified positions—6.0 FTE positions..... | | \$ 636,500 |
| Executive operations—20.5 FTE positions | | 2,449,100 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| Administrative services—60.5 FTE positions..... | \$ 6,382,500 |
| Budget and financial management—112.5 FTE positions | 10,832,000 |
| Office of the state employer—23.0 FTE positions | 2,785,100 |
| Design and construction services—40.0 FTE positions..... | 5,337,400 |
| Business support services—86.5 FTE positions | 7,934,800 |
| Building operation services—241.0 FTE positions..... | 88,294,800 |
| Building occupancy charges, rent, and utilities..... | 4,203,000 |
| Human resources optimization user charges..... | 66,000 |
| Motor vehicle fleet..... | 56,861,600 |
| GROSS APPROPRIATION | \$ 185,782,800 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from MDOT, comprehensive transportation fund..... | 60,000 |
| IDG from MDOT, state aeronautics fund..... | 37,600 |
| IDG from MDOT, state trunkline fund..... | 1,454,700 |
| IDG from building occupancy and parking charges | 91,136,800 |
| IDG from department of labor and economic growth..... | 100,000 |
| IDG from motor transport fund..... | 56,861,600 |
| IDG from MDCH | 433,300 |
| IDG from MDHS | 170,500 |
| IDG from user fees..... | 5,335,100 |
| Special revenue funds: | |
| Game and fish protection fund | 268,800 |
| Health management funds | 1,719,600 |
| Marine safety fund | 23,300 |
| Special revenue, internal service, and pension trust funds | 9,013,600 |
| State building authority revenue..... | 621,200 |
| State lottery fund | 110,700 |
| State services fee fund | 74,000 |
| Waterways fund | 61,600 |
| State general fund/general purpose | \$ 18,300,400 |
| (3) STATEWIDE APPROPRIATIONS | |
| Professional development fund - MPES..... | \$ 125,000 |
| Professional development fund - AFSCME..... | 50,000 |
| Professional development fund - NEREs | 38,000 |
| Professional development fund - MSCs..... | 116,000 |
| GROSS APPROPRIATION | \$ 329,000 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from employer contributions | 329,000 |
| State general fund/general purpose | \$ 0 |
| (4) SPECIAL PROGRAMS | |
| Full-time equated classified positions.....154.5 | |
| Building occupancy charges - property management services for executive/legislative building occupancy | \$ 1,854,100 |
| Retirement services—140.5 FTE positions | 16,793,100 |
| Office of children's ombudsman—14.0 FTE positions..... | 1,396,500 |
| GROSS APPROPRIATION | \$ 20,043,700 |

For Fiscal Year
Ending Sept. 30,
2008

| | |
|------------------------------------------------------------------|----------------|
| Appropriated from: | |
| Special revenue funds: | |
| Deferred compensation..... | \$ 1,542,400 |
| Pension trust funds | 15,250,700 |
| State general fund/general purpose | \$ 3,250,600 |
| (5) STATE FAIR | |
| Full-time equated unclassified positions | 1.0 |
| Full-time equated classified positions..... | 9.0 |
| Unclassified positions—1.0 FTE position..... | \$ 101,000 |
| Michigan state fair operations—9.0 FTE positions..... | 6,399,300 |
| Michigan state fair information technology | 88,800 |
| GROSS APPROPRIATION | \$ 6,589,100 |
| Appropriated from: | |
| Special revenue funds: | |
| State exposition and fairgrounds fund..... | 6,589,100 |
| State general fund/general purpose | \$ 0 |
| (6) INFORMATION TECHNOLOGY | |
| Information technology services and projects..... | \$ 28,510,100 |
| GROSS APPROPRIATION | \$ 28,510,100 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from MDOT, comprehensive transportation fund..... | 2,100 |
| IDG from MDOT, state aeronautics fund..... | 1,100 |
| IDG from MDOT, state trunkline fund..... | 47,500 |
| IDG from building occupancy and parking charges | 654,100 |
| IDG from user fees..... | 186,800 |
| Special revenue funds: | |
| Deferred compensation..... | 2,600 |
| Game and fish protection fund | 9,800 |
| Health management funds | 41,700 |
| Marine safety fund | 900 |
| MAIN user charges..... | 4,209,200 |
| Pension trust funds | 6,802,100 |
| Special revenue, internal service, and pension trust funds | 2,554,600 |
| State building authority revenue..... | 9,700 |
| State lottery fund | 4,600 |
| Waterways fund | 2,000 |
| State general fund/general purpose | \$ 13,981,300 |
| (7) STATE BUILDING AUTHORITY RENT | |
| State building authority rent - state agencies | \$ 56,616,700 |
| State building authority rent - department of corrections | 46,867,700 |
| State building authority rent - universities..... | 104,280,900 |
| State building authority rent - community colleges..... | 19,056,800 |
| GROSS APPROPRIATION | \$ 226,822,100 |
| Appropriated from: | |
| Special revenue funds: | |
| State lottery fund | 1,520,000 |
| State general fund/general purpose | \$ 225,302,100 |

For Fiscal Year
Ending Sept. 30,
2008

(8) CIVIL SERVICE OPERATIONS

| | | | |
|-------------------------------------------------------------------------------|-------|----|------------|
| Full-time equated classified positions | 240.5 | | |
| Agency services—118.5 FTE positions | | \$ | 13,255,400 |
| Executive direction—45.0 FTE positions | | | 8,166,200 |
| Employee benefits—31.0 FTE positions | | | 5,873,200 |
| Audit and compliance—16.0 FTE positions | | | 2,168,900 |
| Training..... | | | 1,300,000 |
| Human resources optimization—30.0 FTE positions..... | | | 2,205,000 |
| Information technology services and projects..... | | | 3,852,900 |
| GROSS APPROPRIATION | | \$ | 36,821,600 |
| Appropriated from: | | | |
| Interdepartmental grant revenues: | | | |
| IDG, training charges | | | 1,300,000 |
| IDG, 1% special funds | | | 1,300,000 |
| IDG, human resources optimization user charges..... | | | 3,275,900 |
| Federal revenues: | | | |
| Federal funds 1%..... | | | 4,779,100 |
| Special revenue funds: | | | |
| Local funds 1% | | | 1,700,000 |
| Private funds 1%..... | | | 150,000 |
| Freedom of information fees | | | 1,100 |
| State restricted funds 1%..... | | | 9,007,200 |
| State sponsored group insurance..... | | | 2,650,000 |
| State sponsored group insurance, flexible spending accounts and COBRA..... | | | 6,013,500 |
| State general fund/general purpose | | \$ | 6,644,800 |

Department of state.

Sec. 109. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

| | | | |
|---------------------------------------------------------------------|---------|----|-------------|
| Full-time equated unclassified positions | 6.0 | | |
| Full-time equated classified positions..... | 1,853.8 | | |
| GROSS APPROPRIATION | | \$ | 207,681,400 |
| Interdepartmental grant revenues: | | | |
| Total interdepartmental grants and intradepartmental transfers..... | | | 20,000,000 |
| ADJUSTED GROSS APPROPRIATION | | \$ | 187,681,400 |
| Federal revenues: | | | |
| Total federal revenues | | | 1,911,200 |
| Special revenue funds: | | | |
| Total local revenues..... | | | 0 |
| Total private revenues..... | | | 100 |
| Total other state restricted revenues | | | 156,972,900 |
| State general fund/general purpose | | \$ | 28,797,200 |

(2) EXECUTIVE DIRECTION

| | | | |
|------------------------------------------------|------|----|---------|
| Full-time equated unclassified positions | 6.0 | | |
| Full-time equated classified positions..... | 30.2 | | |
| Secretary of state | | \$ | 124,900 |
| Unclassified positions—5.0 FTE positions..... | | | 459,200 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|--------------------------------------------------------------------|---------------------------------------------|
| Operations—30.2 FTE positions | \$ 2,821,300 |
| GROSS APPROPRIATION | \$ 3,405,400 |
| Appropriated from: | |
| Special revenue funds: | |
| Auto repair facilities fees | 60,500 |
| Driver fees | 127,200 |
| Expedient service fees..... | 54,100 |
| Parking ticket court fines..... | 8,300 |
| Personal identification card fees | 12,700 |
| Reinstatement fees - operator licenses..... | 137,300 |
| Transportation administration collection fund..... | 2,069,100 |
| Vehicle theft prevention fees..... | 35,600 |
| State general fund/general purpose | \$ 900,600 |
| (3) DEPARTMENT SERVICES | |
| Full-time equated classified positions | 166.3 |
| Operations—159.8 FTE positions | \$ 23,718,500 |
| Assigned claims assessments—6.5 FTE positions..... | 771,300 |
| GROSS APPROPRIATION | \$ 24,489,800 |
| Appropriated from: | |
| Federal revenues: | |
| Federal funds..... | 1,200 |
| Special revenue funds: | |
| Abandoned vehicle fees | 468,600 |
| Assigned claims assessments | 771,300 |
| Auto repair facilities fees..... | 415,000 |
| Child support clearance fees..... | 34,300 |
| Driver fees | 427,900 |
| Expedient service fees..... | 253,200 |
| Marine safety fund | 76,000 |
| Off-road vehicle title fees..... | 7,800 |
| Parking ticket court fines..... | 52,700 |
| Personal identification card fees | 84,600 |
| Reinstatement fees - operator licenses..... | 547,800 |
| Scrap tire fund | 69,900 |
| Snowmobile registration fee revenue | 18,100 |
| Transportation administration collection fund..... | 19,138,400 |
| Vehicle theft prevention fees..... | 243,400 |
| State general fund/general purpose | \$ 1,879,600 |
| (4) REGULATORY SERVICES | |
| Full-time equated classified positions | 245.6 |
| Operations—243.6 FTE positions | \$ 22,216,000 |
| Motorcycle safety education administration—2.0 FTE positions | 360,000 |
| Motorcycle safety grants..... | 1,430,000 |
| County clerk education and training fund | 100,000 |
| GROSS APPROPRIATION | \$ 24,106,000 |
| Appropriated from: | |
| Federal revenues: | |
| Federal funds..... | 3,500 |

For Fiscal Year
Ending Sept. 30,
2008

| | |
|----------------------------------------------------|--------------|
| Special revenue funds: | |
| Auto repair facilities fees | \$ 4,144,800 |
| Driver education provider and instructor fund..... | 72,900 |
| Driver fees | 1,970,300 |
| Expedient service fees..... | 34,400 |
| Motorcycle safety fund | 1,790,000 |
| Notary education and training fund..... | 100,000 |
| Notary fee fund..... | 314,000 |
| Parking ticket court fines..... | 20,700 |
| Personal identification card fees | 49,300 |
| Reinstatement fees - operator licenses..... | 1,762,500 |
| Transportation administration collection fund..... | 11,024,300 |
| Vehicle theft prevention fees..... | 1,330,900 |
| State general fund/general purpose | \$ 1,488,400 |

(5) CUSTOMER DELIVERY SERVICES

| | |
|------------------------------------------------------|-----------------------|
| Full-time equated classified positions..... | 1,383.2 |
| Branch operations—933.9 FTE positions..... | \$ 72,263,600 |
| Central operations—433.1 FTE positions | 38,486,400 |
| Commemorative license plates—16.2 FTE positions..... | 2,147,300 |
| Specialty license plates | 1,922,000 |
| Olympic center plate | 75,700 |
| Organ donor program | 104,100 |
| GROSS APPROPRIATION | \$ 114,999,100 |

Appropriated from:

| | |
|---------------------------------------------------|------------|
| Interdepartmental grant revenues: | |
| IDG from MDOT, Michigan transportation fund | 20,000,000 |

Federal revenues:

| | |
|--------------------|-----------|
| Federal funds..... | 1,556,500 |
|--------------------|-----------|

Special revenue funds:

| | |
|----------------------------------------------------|---------------|
| Private funds | 100 |
| Abandoned vehicle fees | 197,600 |
| Auto repair facilities fees..... | 93,100 |
| Child support clearance fees..... | 295,500 |
| Driver fees | 14,325,700 |
| Expedient service fees..... | 2,421,700 |
| Marine safety fund | 1,187,300 |
| Michigan state police auto theft fund..... | 118,900 |
| Mobile home commission fees..... | 476,000 |
| Off-road vehicle title fees..... | 127,300 |
| Parking ticket court fines..... | 1,490,500 |
| Personal identification card fees | 1,583,600 |
| Reinstatement fees - operator licenses..... | 1,192,400 |
| Snowmobile registration fee revenue | 348,100 |
| Transportation administration collection fund..... | 57,848,200 |
| Vehicle theft prevention fees..... | 209,500 |
| State general fund/general purpose | \$ 11,527,100 |

(6) ELECTION REGULATION

| | |
|---------------------------------------------|------|
| Full-time equated classified positions..... | 28.5 |
|---------------------------------------------|------|

| | For Fiscal Year Ending Sept. 30, 2008 |
|---------------------------------------------------------------|---------------------------------------------|
| Election administration and services—28.5 FTE positions | \$ 4,780,500 |
| Help America vote act..... | 350,000 |
| Fees to local units..... | 109,800 |
| GROSS APPROPRIATION | \$ 5,240,300 |
| Appropriated from: | |
| Federal funds..... | 350,000 |
| State general fund/general purpose | \$ 4,890,300 |
| (7) DEPARTMENTWIDE APPROPRIATIONS | |
| Building occupancy charges/rent | \$ 10,600,200 |
| Worker's compensation | 425,000 |
| GROSS APPROPRIATION | \$ 11,025,200 |
| Appropriated from: | |
| Special revenue funds: | |
| Auto repair facilities fees..... | 142,000 |
| Driver fees | 466,300 |
| Expedient service fees..... | 26,300 |
| Parking ticket court fines..... | 467,100 |
| Transportation administration collection fund..... | 6,020,900 |
| State general fund/general purpose | \$ 3,902,600 |
| (8) INFORMATION TECHNOLOGY | |
| Information technology services and projects..... | \$ 24,415,600 |
| GROSS APPROPRIATION | \$ 24,415,600 |
| Appropriated from: | |
| Special revenue funds: | |
| Administrative order processing fee..... | 11,100 |
| Auto repair facilities fees..... | 179,400 |
| Child support clearance fees..... | 16,200 |
| Driver fees | 1,346,100 |
| Expedient service fees..... | 959,500 |
| Parking ticket court fines..... | 82,700 |
| Personal identification card fees | 881,200 |
| Reinstatement fees - operator licenses..... | 471,900 |
| Transportation administration collection fund..... | 16,088,000 |
| Vehicle theft prevention fees..... | 170,900 |
| State general fund/general purpose | \$ 4,208,600 |

Department of treasury.**Sec. 110. DEPARTMENT OF TREASURY****(1) APPROPRIATION SUMMARY**

| | |
|---------------------------------------------------------------------|------------------|
| Full-time equated unclassified positions | 9.0 |
| Full-time equated classified positions | 1,896.5 |
| GROSS APPROPRIATION | \$ 1,759,155,000 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 11,631,400 |
| ADJUSTED GROSS APPROPRIATION | \$ 1,747,523,600 |
| Federal revenues: | |
| Total federal revenues | 91,836,400 |
| Special revenue funds: | |
| Total local revenues..... | 1,100,700 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|-----------------------------------------------------------------------------|---------------------------------------------|
| Total private revenues | \$ 712,800 |
| Total other state restricted revenues | 1,464,563,100 |
| State general fund/general purpose | \$ 189,310,600 |
| (2) EXECUTIVE DIRECTION | |
| Full-time equated unclassified positions | 9.0 |
| Full-time equated classified positions | 5.0 |
| Unclassified positions—9.0 FTE positions | \$ 812,600 |
| Office of the director—5.0 FTE positions | 833,800 |
| GROSS APPROPRIATION | \$ 1,646,400 |
| Appropriated from: | |
| Special revenue funds: | |
| State lottery fund | 159,000 |
| State services fee fund | 196,700 |
| State general fund/general purpose | \$ 1,290,700 |
| (3) DEPARTMENTWIDE APPROPRIATIONS | |
| Travel | \$ 1,415,900 |
| Rent and building occupancy charges - property management services | 5,194,600 |
| Worker's compensation insurance premium | 247,000 |
| GROSS APPROPRIATION | \$ 6,857,500 |
| Appropriated from: | |
| Special revenue funds: | |
| Delinquent tax collection revenue | 3,483,600 |
| State general fund/general purpose | \$ 3,373,900 |
| (4) LOCAL GOVERNMENT PROGRAMS | |
| Full-time equated classified positions | 107.0 |
| Supervision of the general property tax law—84.0 FTE positions... | \$ 10,649,600 |
| Property tax assessor training—4.0 FTE positions | 423,100 |
| Local finance—19.0 FTE positions | 2,432,100 |
| Blackstone settlement | 2,000,000 |
| GROSS APPROPRIATION | \$ 15,504,800 |
| Appropriated from: | |
| Special revenue funds: | |
| Local - assessor training fees | 423,100 |
| Local - audit charges | 587,600 |
| Local - equalization study chargebacks | 40,000 |
| Local - revenue from local government | 50,000 |
| Land reutilization fund | 3,979,100 |
| Municipal finance fees | 477,700 |
| State education tax collections | 50,000 |
| State general fund/general purpose | \$ 9,897,300 |
| (5) TAX PROGRAMS | |
| Full-time equated classified positions | 800.5 |
| Customer contact—186.0 FTE positions | \$ 13,729,500 |
| Tax compliance—335.0 FTE positions | 31,671,300 |
| Tax and economic policy—53.5 FTE positions | 6,079,800 |
| Revenue enhancement program—45.0 FTE positions | 5,267,400 |
| Tax processing—147.0 FTE positions | 15,013,600 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|---------------------------------------------------------------|---------------------------------------------|
| Michigan business tax implementation—28.0 FTE positions | \$ 8,400,000 |
| Individual income tax implementation..... | 120,000 |
| Tax on services implementation—2.0 FTE positions..... | 400,000 |
| Home heating assistance | 2,159,800 |
| Bottle bill implementation..... | 250,000 |
| Tobacco tax collection—4.0 FTE positions..... | 348,500 |
| GROSS APPROPRIATION | \$ 83,439,900 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG, data/collection services fees | 50,900 |
| IDG from MDOT, Michigan transportation fund | 7,549,700 |
| IDG from MDOT, state aeronautics fund..... | 67,300 |
| Federal revenues: | |
| HHS-SSA, low-income energy assistance | 2,159,800 |
| Special revenue funds: | |
| Bottle deposit fund | 250,000 |
| Delinquent tax collection revenue | 56,923,900 |
| Tobacco tax collection and enforcement | 348,500 |
| Tobacco tax revenue..... | 388,800 |
| Waterways fund | 78,900 |
| State general fund/general purpose | \$ 15,622,100 |
| (6) BANKING AND MANAGEMENT SERVICES | |
| Full-time equated classified positions..... | 338.0 |
| Program management—13.0 FTE positions..... | \$ 1,470,000 |
| Human resources and purchasing—27.0 FTE positions..... | 2,791,300 |
| Mail operations—20.0 FTE positions..... | 2,010,600 |
| Unclaimed property—21.0 FTE positions | 3,545,800 |
| Human resources optimization user charges..... | 85,200 |
| Collections—185.0 FTE positions | 18,907,300 |
| Finance and accounting—32.0 FTE positions | 1,733,200 |
| Receipts processing—40.0 FTE positions | 2,967,700 |
| GROSS APPROPRIATION | \$ 33,511,100 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from MDHS, title IV-D..... | 617,600 |
| IDG, levy/warrant cost assessment fees | 1,848,800 |
| IDG, state agency collection fees..... | 590,100 |
| IDG, data/collection services fees | 204,400 |
| Special revenue funds: | |
| Delinquent tax collection revenue | 19,137,600 |
| Escheats revenue..... | 3,545,800 |
| Garnishment fees | 531,600 |
| Justice system fund..... | 636,500 |
| Treasury fees..... | 188,300 |
| State general fund/general purpose | \$ 6,210,400 |
| (7) FINANCIAL PROGRAMS | |
| Full-time equated classified positions..... | 213.0 |
| Investments—78.0 FTE positions | \$ 15,084,600 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|----------------------------------------------------------------|---------------------------------------------|
| Michigan merit award administration—5.0 FTE positions..... | \$ 1,468,900 |
| Michigan education savings program..... | 800,000 |
| Common cash and debt management—11.5 FTE positions..... | 1,247,000 |
| Student financial assistance programs—118.5 FTE positions..... | 35,747,900 |
| GROSS APPROPRIATION | <u>\$ 54,348,400</u> |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG, fiscal agent service fees | \$ 167,700 |
| Federal revenues: | |
| DED-OPSE, federal lenders allowance | 10,437,300 |
| DED-OPSE, higher education act of 1965, insured loans | 23,264,700 |
| Special revenue funds: | |
| Defined contribution administrative fee revenue | 100,000 |
| College work study..... | 46,300 |
| Michigan merit award trust fund..... | 2,693,300 |
| Retirement funds..... | 14,112,700 |
| School bond fees..... | 618,600 |
| Treasury fees..... | 1,035,800 |
| State general fund/general purpose | \$ 1,872,000 |
| (8) DEBT SERVICE | |
| Water pollution control bond and interest redemption | \$ 2,386,400 |
| Quality of life bond | 60,900,000 |
| Clean Michigan initiative..... | 50,000,000 |
| Great Lakes water quality bond..... | 6,700,000 |
| GROSS APPROPRIATION | <u>\$ 119,986,400</u> |
| Appropriated from: | |
| Special revenue funds: | |
| Refined petroleum fund..... | 23,914,500 |
| State general fund/general purpose | \$ 96,071,900 |
| (9) GRANTS | |
| Grants to counties in lieu of taxes | \$ 5,000 |
| Convention facility development distribution | 58,850,000 |
| Senior citizen cooperative housing tax exemption program..... | 17,498,400 |
| Commercial mobile radio service payments | 17,900,000 |
| Health and safety fund grants | 25,000,000 |
| Renaissance zone reimbursement..... | 3,095,000 |
| GROSS APPROPRIATION | <u>\$ 122,348,400</u> |
| Appropriated from: | |
| Special revenue funds: | |
| Commercial mobile radio service fees..... | 17,900,000 |
| Convention facility development fund | 58,850,000 |
| Health and safety fund | 25,000,000 |
| State general fund/general purpose | \$ 20,598,400 |
| (10) STATE LOTTERY | |
| Full-time equated classified positions..... | 175.0 |
| Lottery operations—175.0 FTE positions..... | \$ 20,252,500 |
| Human resources optimization user charges..... | 10,900 |
| Promotion and advertising..... | 18,622,000 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|------------------------------------------------------------------------|---------------------------------------------|
| Lottery information technology services and projects | \$ 4,549,600 |
| GROSS APPROPRIATION | \$ 43,435,000 |
| Appropriated from: | |
| Special revenue funds: | |
| State lottery fund | 43,435,000 |
| State general fund/general purpose | \$ 0 |
| (11) CASINO GAMING | |
| Full-time equated classified positions106.0 | |
| Michigan gaming control board | \$ 50,000 |
| Casino gaming control administration—106.0 FTE positions | 18,885,800 |
| Human resources optimization user charges | 7,200 |
| Casino gaming information technology services and projects..... | 1,320,000 |
| GROSS APPROPRIATION | \$ 20,263,000 |
| Appropriated from: | |
| Casino gambling agreements..... | 383,500 |
| State services fee fund | 19,879,500 |
| State general fund/general purpose | \$ 0 |
| (12) REVENUE SHARING | |
| Constitutional state general revenue sharing grants | \$ 673,952,000 |
| Statutory state general revenue sharing grants | 398,713,000 |
| County revenue sharing | 113,600 |
| Special grants | 212,000 |
| GROSS APPROPRIATION | \$ 1,072,990,600 |
| Appropriated from: | |
| Sales tax | 1,072,665,000 |
| State general fund/general purpose | \$ 325,600 |
| (13) INFORMATION TECHNOLOGY | |
| Treasury operations information technology services and projects... \$ | 18,401,000 |
| GROSS APPROPRIATION | \$ 18,401,000 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG from MDOT, Michigan transportation fund | 454,900 |
| Federal revenues: | |
| DED-OPSE, federal lenders allowance | 543,900 |
| Special revenue funds: | |
| Delinquent tax collection revenue | 11,773,300 |
| Michigan merit award trust fund..... | 415,300 |
| Retirement funds | 659,100 |
| State general fund/general purpose | \$ 4,554,500 |
| (14) MICHIGAN STRATEGIC FUND | |
| Full-time equated classified positions152.0 | |
| Administration—22.0 FTE positions | \$ 2,542,400 |
| Job creation services—130.0 FTE positions | 17,003,100 |
| Human resources optimization user charges | 17,800 |
| Michigan promotion program | 11,417,500 |
| Economic development job training grants | 7,441,000 |
| Community development block grants | 53,000,000 |
| Jobs for Michigan investment program: 21st century jobs fund | 75,000,000 |

| | For Fiscal Year Ending Sept. 30, 2008 |
|------------------------------------------------------------|---------------------------------------------|
| Business incubator program | \$ 100 |
| Berrien County brownfield redevelopment authority | 100 |
| Detroit institute of arts | 100 |
| McBain Township, Missaukee County | 100 |
| Detroit historical museum..... | 100 |
| Detroit zoological institute..... | 100 |
| Michigan State University bio-energy research center | 100 |
| GROSS APPROPRIATION | \$ 166,422,500 |
| Appropriated from: | |
| Interdepartmental grant revenues: | |
| IDG-MDEQ, air quality fees..... | 80,000 |
| Federal revenues: | |
| HUD-CPD, community development block grant..... | 55,430,700 |
| Special revenue funds: | |
| Private - special project advances | 712,800 |
| Industry support fees | 5,200 |
| Jobs for Michigan investment fund - returns to fund..... | 5,700,000 |
| 21st century jobs trust fund | 75,000,000 |
| State general fund/general purpose | \$ 29,493,800 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Total state spending; payments to local units of government.

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 2007-2008 is \$2,364,640,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$1,218,526,900.00. 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..... | 1,115,400 |
| Subtotal | \$ 1,225,200 |

DEPARTMENT OF TREASURY

| | |
|-----------------------------------------------------------|---------------|
| Senior citizen cooperative housing tax exemption | \$ 17,498,400 |
| Grants to counties in lieu of taxes..... | 5,000 |
| Health and safety fund grants | 25,000,000 |
| Constitutional state general revenue sharing grants | 673,952,000 |
| Statutory state general revenue sharing grants | 398,713,000 |
| Convention facility development fund distribution | 58,850,000 |

| | | |
|------------------------------------------------------------|----|----------------------|
| Commercial mobile radio service payments | \$ | 15,221,500 |
| Renaissance zone reimbursements | | 3,095,000 |
| Special grants | | 212,000 |
| County revenue sharing payment | | 113,600 |
| Airport parking distribution pursuant to section 909 | | 17,200,000 |
| Economic development job training grants | | 7,441,000 |
| Berrien County brownfield redevelopment authority | | 100 |
| McBain Township, Missaukee County | | 100 |
| Subtotal | \$ | <u>1,217,301,700</u> |
| TOTAL GENERAL GOVERNMENT | \$ | <u>1,218,526,900</u> |

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2007-2008 is estimated at \$28,535,784,500.00 in the 2007-2008 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2007-2008 is estimated at \$16,066,603,783.00. The state-local proportion is estimated at 56.30% of total state spending from state resources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2007-2008 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2007-2008 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2007-2008.

Appropriations subject to MCL 18.1101 to 18.1594.

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

Definitions.

Sec. 203. As used in this act:

- (a) "AFSCME" means American federation of state, county, and municipal employees.
- (b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.
- (c) "CPI" means consumer price index.
- (d) "DAG" means the United States department of agriculture.
- (e) "DED-OPSE" means the United States department of education, office of postsecondary education.
- (f) "DOL-ETA" means the United States department of labor, employment and training administration.
- (g) "DOL-OSHA" means the United States department of labor, occupational safety and health administration.
- (h) "EEOC" means the United States equal employment opportunity commission.
- (i) "EPA" means the United States environmental protection agency.
- (j) "FTE" means full-time equated.
- (k) "Fund" means the Michigan strategic fund.
- (l) "GF/GP" means general fund/general purpose.
- (m) "HHS" means the United States department of health and human services.
- (n) "HHS-OS" means the HHS office of the secretary.
- (o) "HHS-SSA" means the HHS social security administration.

- (p) “HUD” means the United States department of housing and urban development.
- (q) “HUD-CPD” means the United States department of housing and urban development - community planning and development.
- (r) “IDG” means interdepartmental grant.
- (s) “JCOS” means the joint capital outlay subcommittee.
- (t) “MAIN” means the Michigan administrative information network.
- (u) “MCL” means the Michigan Compiled Laws.
- (v) “MDCH” means the Michigan department of community health.
- (w) “MDEQ” means the Michigan department of environmental quality.
- (x) “MDHS” means the Michigan department of human services.
- (y) “MDLEG” means the Michigan department of labor and economic growth.
- (z) “MDMB” means the Michigan department of management and budget.
- (aa) “MDOT” means the Michigan department of transportation.
- (bb) “MDSP” means the Michigan department of state police.
- (cc) “MEDC” means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- (dd) “MPES” means the Michigan professional employees society.
- (ee) “PA” means public act.
- (ff) “PACC” means the prosecuting attorneys coordinating council.
- (gg) “SBIR” means small business innovation research.
- (hh) “STTR” means small business technology transfer.

Billing by department of civil service; payments.

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

Hiring freeze; exceptions.

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

(2) The attorney general and secretary of state may grant exceptions to the hiring freeze for their respective departments pursuant to the same criteria that the state budget director is able to grant exceptions under this subsection. The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Reporting requirements; use of Internet.

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

Purchase of foreign goods or services; preference to goods or services manufactured or provided by Michigan businesses or veterans.

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

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

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

Appropriation to countercyclical budget and economic stabilization fund.

Sec. 211. Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, that provides for a transfer of state general funds into the countercyclical budget and economic stabilization fund, there is appropriated into the countercyclical budget and economic stabilization fund the sum of \$0.00. The calculation required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, is determined as follows:

| | 2006 | 2007 |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Michigan personal income (millions) | \$342,900 | \$352,501 |
| less: transfer payments | 54,901 | 58,403 |
| Subtotal..... | 287,999 | 294,098 |
| Divided by: Detroit CPI for 12 months ending June 30... | 1.948 | 1.980 |
| Equals: Real adjusted Michigan personal income | \$147,881 | \$148,534 |
| Percentage change | | 0.4% |
| Percentage change in excess of 2% | 0.0% | 0.0% |
| Multiplied by: estimated GF/GP revenue in FY 2006-2007 (millions)..... | | 8,230.0 |
| Equals: countercyclical budget and economic stabilization fund calculation for the fiscal year ending September 30, 2008..... | \$0.0 | \$0.0 |

Receipt and retention of reports.

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

Ownership interest in casino enterprise or gambling operation.

Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise

or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

Technology-related services and projects; payment of user fees.

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

Communication of employee with legislative member or staff.

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

Out-of-state travel; report.

Sec. 216. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2008 shall be limited to situations in which 1 or more of the following conditions apply:

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

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

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

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

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

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

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

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

Availability of federal funding; general fund expenditures prohibited.

Sec. 217. General fund appropriations in this act shall not be expended for items in cases where federal funding is available for the same expenditures.

Policy change; rules applying to small business; definitions.

Sec. 221. (1) Each department shall report no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

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

(3) As used in this section:

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

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

Continuous improvement efficiency mechanisms; report.

Sec. 225. Each department and agency receiving an appropriation in part 1 shall implement continuous improvement efficiency mechanisms in its programs. The continuous improvement efficiency mechanisms shall identify changes made in those programs to increase efficiency and reduce expenditures. On March 31, 2008 and September 30, 2008, each department shall submit a report to the state budget director, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies on the progress made toward increased efficiencies. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented, and actual and projected expenditure savings as a result of the increased efficiencies.

Legal services.

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

DEPARTMENT OF ATTORNEY GENERAL**Contingency funds.**

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

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

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

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

Performance of legal services by attorney general.

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

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

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

Biennial report; sale of copies; distribution.

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

Michigan state employee worker's disability compensation cases; legal representation.

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

Food stamp fraud cases.

Sec. 305. In addition to the funds appropriated in part 1, not more than \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of human services, the prosecuting attorneys association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States department of agriculture regulations and that, once earned by this state, the funds become state funds.

Lawsuit or settlement entered against manufacturer of tobacco products.

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

Antitrust, securities fraud, and consumer protection or class action enforcement cases.

Sec. 307. In addition to the antitrust revenues in part 1, antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney fees recovered by the department, not to exceed \$250,000.00, are appropriated to the department for antitrust, securities fraud, and consumer protection or class action enforcement cases. Any unexpended funds from antitrust, securities fraud, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, shall be carried forward for expenditure in the following fiscal year up to the maximum authorization of \$250,000.00.

Litigation expense reimbursement; expenditures; carrying forward unexpended funds.

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

(2) The funds may be expended for the payment of litigation expenses, court judgments and settlements, or attorney fees assessed against the office of the governor, the department of the attorney general, the governor, or the attorney general when acting in an official capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

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

Representation of department of corrections and officers, employees, and agents.

Sec. 309. From the prisoner reimbursement funds appropriated in part 1, the department may spend up to \$460,800.00 on activities related to the state correctional facilities reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

Child support enforcement activities; federal IV-D funding; locating parents who fail to pay court-ordered support.

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

Compiler's note: The shaded text was vetoed by the Governor, whose veto message appears in this volume under the heading "Vetoed."

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

Legal services to other state departments or agencies; limitation; exception.

Sec. 311. The department of attorney general may not receive and expend funds in addition to those authorized in part 1 for legal services provided specifically to other state departments or agencies except for costs for expert witnesses, court costs, or other nonsalary litigation expenses associated with a pending legal action.

DEPARTMENT OF CIVIL RIGHTS

Federal contingency funds; availability for expenditure.

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

Receipt and expenditure of funds from local or private sources; purposes; report.

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

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

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

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

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

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

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

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

Contractual services.

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

INFORMATION TECHNOLOGY

Paid advertising; placement on state website; receipt or rejection of gift, donation, contribution, bequest, or grant; expenditure of funds; report.

Sec. 573. (1) The department of information technology may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this subsection shall be used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general fund.

(2) The department of information technology may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state web pages or services offered on those web pages. A private or public funding source may receive recognition in the web page. The department of information technology may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the department of information technology under subsection (1) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given.

(4) By April 1, the department of information technology shall report to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies that a statement of the total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions are available on the department's website.

Supplying information and technical services; report.

Sec. 574. The department of information technology may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of information technology may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department of information technology may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government, detailing the sources of funding and expenditures made under this section.

Historical and current data contained within MAIN; access by legislature.

Sec. 575. The legislature shall have access to all historical and current data contained within MAIN pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN.

“Information technology services” defined.

Sec. 576. When used in this act, “information technology services” means services involving all aspects of managing and processing information including, but not limited to, all of the following:

- (a) Application development and maintenance.

- (b) Desktop computer support and management.
- (c) Mainframe computer support and management.
- (d) Server support and management.
- (e) Local area network support and management.
- (f) Information technology contract, project, and procurement management.
- (g) Information technology planning and budget management.
- (h) Telecommunication services, security, infrastructure, and support.
- (i) Software and software licensing.

Michigan public safety communications system; expenditure plan; access and maintenance fees; report.

Sec. 577. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of information technology shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees.

(3) All money received by the department of information technology under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department of information technology shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director on April 15 and on October 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communications system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried forward into succeeding fiscal years.

Report.

Sec. 578. The department of information technology shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1. The report shall include the following:

(a) The total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies.

(b) A listing of the expenditures made from the amounts received by the department of information technology, as reported in subdivision (a).

Life-cycle of information technology hardware and software; report.

Sec. 579. The department of information technology shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Business application modernization project.

Sec. 580. (1) From the funds appropriated in part 1 to general services, for the department of state, there is appropriated \$4,550,000.00 for the business application modernization project. Funds shall only be used for the development, implementation, and maintenance of the business application modernization project.

(2) The unexpended funds appropriated in part 1 for the business application modernization project are designated as work project appropriations and shall not lapse at the end

of the fiscal year. Any unencumbered or unallotted funds shall be carried over into the succeeding fiscal year and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$30,000,000.00, and the tentative completion date is September 30, 2010.

Information technology assets; assessment.

Sec. 581. From the funds appropriated in part 1, the department of information technology shall assess the state's information technology assets, including hardware, software, and networks to determine any benefits and economies that can be achieved through, but not limited to, hardware and software consolidation and standardization, process improvements, project management improvements, and increased standards-based information sharing between agencies.

Utilization of 2-1-1 capacities.

Sec. 584. The department of information technology shall determine how existing 2-1-1 capacities will be utilized by each state department with community resource information and referral service, including, but not limited to, toll-free help and information lines and comprehensive human service databases. The department of information technology shall report its findings in writing to the senate and house of representatives standing committees on appropriations by July 1, 2008. The report shall include a statement of how each state department has utilized 2-1-1 in its coordination efforts, including any efficiencies, cost savings, and improved service provided to Michigan residents. The report shall also contain recommendations for maintaining a statewide 2-1-1 system.

Total amount of funds expended for child support enforcement system to date; report.

Sec. 585. The department shall provide a report that calculates the total amount of funds expended for the child support enforcement system to date from the inception of the program. The report shall contain information on the original start and completion dates for the project, the original cost to complete the project, and a listing of all revisions to project completion dates and costs. The report shall include the total amount of funds paid to the federal government for penalties. The report shall be submitted to the senate and house of representatives standing committees on government operations, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by January 1.

Increase or decrease in spending authorization; appropriation of equal amount of user fees.

Sec. 586. If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the department of information technology budget to accommodate an increase or decrease in spending authorization.

LEGISLATURE

Receipt, expenditure, and transfer of additional funds.

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

Expenditure or transfer of funds; written approval of authorized legislative entity agent; funds appropriated to legislative council component.

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

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

Rent charges and utility costs.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Farnum building and other properties.

National association dues; distribution by legislative council.

Sec. 603. The appropriation contained in part 1 for national association dues is to be distributed by the legislative council.

Legislative parking facilities.

Sec. 604. (1) The appropriation in part 1 to the legislative council includes funds to operate the legislative parking facilities in the capitol area. The legislative council shall establish rules regarding the operation of the legislative parking facilities.

(2) The legislative council shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees shall be allocated by the legislative council.

Michigan manual.

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

Purchase of equipment and services for building maintenance.

Sec. 606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2011.

Data processing requirements and technology improvements.

Sec. 607. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2011.

Save the flags fund account.

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

Health insurance benefits for unmarried domestic partners; use of funds prohibited.

Sec. 610. The funds appropriated in part 1 shall not be used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees.

LEGISLATIVE AUDITOR GENERAL**Judicial branch; audits.**

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

Minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities; report.

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

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

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

Salaries.

Sec. 622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Audits, reviews, or investigations requested of auditor general by legislature; estimate of costs; supplemental funding.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed \$50,000.00,

should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Audit Directive No. 29, which describes the office of the auditor general's policy on responding to legislative requests.

DEPARTMENT OF MANAGEMENT AND BUDGET

Contingency funds.

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Transfers or auctions of state surplus, salvage, or scrap property.

Sec. 702. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department of management and budget to offset costs incurred in the acquisition and distribution of federal surplus property.

Receipt and expenditure of additional funds.

Sec. 704. (1) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department of management and budget.

(2) The department of management and budget may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, or the judicial branch.

(3) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department of management and budget may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Statewide appropriations; source of financing; funding by assessments against longevity and insurance appropriations.

Sec. 705. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government

in a manner prescribed by the department of management and budget. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department of management and budget may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges.

Sec. 706. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department of management and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Donated annual leave and administrative leave bank transfer provisions.

Sec. 707. In addition to the funds appropriated in part 1 to the department of management and budget, the department may receive and expend funds from other principal executive departments and state agencies to implement donated annual leave and administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the department of management and budget under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

MAIN; source of financing.

Sec. 708. The source of financing in part 1 for the Michigan administrative information network shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Building occupancy charges and parking charges.

Sec. 709. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department of management and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the department of management and budget, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Computer software development, hardware acquisition, or quality assurance; increase or decrease of current contracts.

Sec. 710. The department of management and budget shall notify the chairpersons of the senate and house of representatives standing committees on appropriations and the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government on any revisions that increase or decrease current contracts by more than \$500,000.00 for computer software development, hardware acquisition, or quality assurance at least 14 days before the department of management and budget finalizes the revisions.

Invitation for bid or request for proposal; Internet website.

Sec. 711. The department of management and budget shall maintain an Internet website that contains notice of all invitations for bids and requests for proposals over \$50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the Internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Vietnam veterans memorial monument fund; receipt and expenditure of funds.

Sec. 712. The department of management and budget may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Michigan veterans' memorial park commission; receipt and expenditure of funds.

Sec. 713. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Motor vehicle fleet; funding; assignment of motor vehicles; operation plan; charges for fuel cost increases.

Sec. 715. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department of management and budget for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the department. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) It is the intent of the legislature that the department of management and budget have the authority to determine the appropriateness of vehicle assignment, to include year, make, model, size, and price of vehicle. The department may assign motor vehicles, permanently or temporarily, to state agencies and to institutions of higher education.

(4) Pursuant to the department of management and budget's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce vehicle expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the department shall provide a report to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies detailing the current plan and changes made to the plan during the fiscal year.

(5) The department of management and budget may charge state agencies for fuel cost increases that exceed \$2.27 per gallon of unleaded gasoline. The department shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

Purchasing preference for products manufactured or services offered by Michigan-based firms; policies and procedures.

Sec. 716. The department of management and budget shall adopt policies and procedures necessary for compliance by the department, other state departments and agencies, and state vendors and subcontractors, with the requirement under subsection (1) of section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, to provide a purchasing preference for products manufactured or services offered by Michigan-based firms.

Purchase, contracting for, and providing items needed by the state; determination whether in best interest of state; consideration.

Sec. 717. In determining whether the purchase, contracting for, providing of supplies, materials, services, insurance, utilities, third-party financing, equipment, printing, and other items needed by state departments or agencies is in the best interests of this state, and in making all discretionary decisions concerning the solicitation, award, amendment, cancellation, or appeal of state contracts, the department of management and budget shall consider all of the following:

(a) Whether a proposal by a vendor to provide services to this state using employees, contractors, subcontractors, or other individuals who are not citizens of the United States, legal resident aliens, or individuals with a valid visa would be detrimental to the state of Michigan, its residents, or the state's economy.

(b) Whether a proposal by a vendor to provide services to this state from a location outside of this state or the United States would be detrimental to the state of Michigan, its residents, or the state's economy.

(c) Whether a proposal by a vendor to provide goods to this state produced outside of this state or the United States would be detrimental to the state of Michigan, its residents, or the state's economy.

(d) Whether the acquisition of goods or services from a vendor that is an expatriated business entity located in a tax haven country or an affiliate of an expatriated business entity located in a tax haven country would be detrimental to the state of Michigan, its residents, or the state's economy. As used in this section, "expatriated business entity" means a corporation or an affiliate of the corporation incorporated in a tax haven country after September 11, 2001, but with the United States as the principal market for the public trading of the corporation's stock, as determined by the director of the department of management and budget. "Tax haven country" means each of the following: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the Principality of Liechtenstein, the Principality of Monaco, and the Republic of the Seychelles.

(e) Whether the provision of services to this state at a location outside of this state or the United States would be detrimental to the privacy interests of Michigan residents, or risk the disclosure of personal information of Michigan residents, such as social security, financial, or medical data.

(f) Whether a proposal by a vendor to provide services to this state from a location outside of this state or the United States would constitute undue risk under a risk management policy, practice, or procedure adopted by the department of management and budget under section 204 of the management and budget act, 1984 PA 431, MCL 18.1204.

(g) Whether a proposal by a vendor to provide goods to this state produced outside of this state or the United States would constitute undue risk under a risk management policy, practice, or procedure adopted by the department of management and budget under section 204 of the management and budget act, 1984 PA 431, MCL 18.1204.

Collection of information from vendors.

Sec. 718. The department of management and budget shall collect from vendors information necessary to comply with the requirements of this act, as determined by the department. The department of management and budget may require vendors to provide any of the following:

(a) Information relating to the location of work performed under a state contract by the vendor and any subcontractors, employees, or other persons performing a state contract.

(b) Information regarding the corporate structure and location of corporate employees and activities of the vendor, its affiliates, or any subcontractors.

(c) Notice of the relocation of the vendor, employees of the vendor, subcontractors of the vendor, or other persons performing services under a state contract outside of the state of Michigan.

Call or contact center services; disclosure of location.

Sec. 719. The department of management and budget may require that any vendor or subcontractor providing call or contact center services to the state of Michigan disclose to inbound callers the location from which the call or contact center services are being provided.

Michigan law enforcement officers memorial monument fund; receipt and expenditure of money.

Sec. 721. In addition to the funds appropriated in part 1, the department of management and budget may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Ronald Wilson Reagan memorial monument fund; receipt and expenditure of money.

Sec. 722. In addition to the funds appropriated in part 1, the department of management and budget may receive and expend money from the Ronald Wilson Reagan memorial monument fund as provided in the Ronald Wilson Reagan memorial monument fund commission act, 2004 PA 489, MCL 399.261 to 399.266.

Parcels of real estate available for purchase.

Sec. 723. The department shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the Internet through the department's website.

Adding new spouse as pension beneficiary; implementation of public school employees retirement act of 1979.

Sec. 724. Of the \$16,793,100.00 included in part 1 for the department of management and budget, retirement services, \$300,000.00 shall be used for a project to implement amendments to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, to allow public school retirees to add a new spouse as a pension beneficiary when a previous spouse dies or if the retiree was not married at the time of retirement. Unexpended appropriations are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement amendments to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, to allow public school retirees to add a new spouse as a pension beneficiary when a previous spouse dies or if the retiree was not married at the time of retirement.

(b) The project will be accomplished by state employees and contract.

(c) The total estimated cost of the project is \$300,000.00.

(d) The tentative completion date is September 30, 2009.

Utilization of 2-1-1 capacities.

Sec. 724a. The department of management and budget shall assist the department of information technology in determining how existing 2-1-1 capacities will be utilized by each state department with community resource information and referral service, including, but not limited to, toll-free help and information lines and comprehensive human service databases.

Sec. 724b. (1) By December 1, 2007, the department shall issue a report to the house and senate fiscal agencies detailing the following information for all personal property and equipment of any nature, including, but not limited to, furniture, computers, communication systems, vehicles, vessels, aircraft, office equipment, technology equipment, construction equipment, and energy systems owned by the state of Michigan and/or a state department, agency, or authority:

(a) Date of acquisition.

(b) Original equipment cost.

(c) Estimate of useful life.

(d) The amount of encumbrances or liens thereon, if any.

(2) The department shall seek the assistance of a private sector firm to assist in the valuation, if necessary to make an accurate determination of useful life and encumbrances. All state departments, agencies, and authorities shall assist the department and its agents by timely providing all information necessary to create the report required by this section. The purpose of the report shall be to assist the state legislature and department of treasury in determining the feasibility of asset monetization proposals as a means of addressing future budget deficits.

STATE BUILDING AUTHORITY

Bonds or notes.

Sec. 725. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department may expend from the general fund of the state during the fiscal year ending September 30, 2008 an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative concurrent resolution that is effective for the fiscal year ending September 30, 2008. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by legislative concurrent resolution and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director and approved by the JCOS.

Release of funding to university or community college; agreement to reimburse excess revenue to state building authority; "revenue" defined.

Sec. 726. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of

Compiler's note: The shaded text was vetoed by the Governor, whose veto message appears in this volume under the heading "Vetoed."

bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, “revenue” includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Facilities owned by state building authority; payment of rent obligations and insurance premiums.

Sec. 727. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

Construction projects associated with state building authority bonds; report.

Sec. 728. The department of management and budget shall provide the JCOS and the senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

CIVIL SERVICE

Contingency funds.

Sec. 750. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Department of civil service; financing sources.

Sec. 751. (1) All restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the department of civil service on the basis of actual 1% restricted sources total aggregate payroll of the classified service for fiscal year 2007 in accordance with section 5 of article XI of the state constitution of 1963. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The 1% appropriations in part 1 are estimates of actual 1% charges based on payroll appropriations. With the approval of the state budget director, the department is authorized to adjust financing sources for civil service 1% charges based on actual payroll expenditures, provided that such adjustments do not increase the total appropriation for the department of civil service.

(3) The 1% financing from restricted sources shall be credited to the department of civil service by the end of the second fiscal quarter.

Restricted revenue sources.

Sec. 752. Except where specifically appropriated for this purpose, 1% of the financing from restricted sources shall be credited to the department of civil service. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy departmental operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

State-sponsored group insurance, flexible spending accounts, and COBRA.

Sec. 753. The appropriation in part 1 to the department of civil service, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the department of civil service. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the department of civil service. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

DEPARTMENT OF STATE

Contingency funds.

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$7,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Funds available by MCL 500.3171; expenditure; purpose.

Sec. 802. All funds made available by section 3171 of the insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated and made available to the department of state to be expended only for the uses and purposes for which the funds are received as provided by sections 3171 to 3177 of the insurance code of 1956, 1956 PA 218, MCL 500.3171 to 500.3177.

Sale of records.

Sec. 803. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$7.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Manufacture of vehicle registration plates; agreement with department of corrections.

Sec. 804. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Departmental publication; private or public funding source; advertising fee; deposit of funds; carrying over unexpended revenues; report; sale of additional copies.

Sec. 805. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949

PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended upon receipt. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Funds collected under MCL 257.211; publication costs.

Sec. 806. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Traffic accident records program; payment of services.

Sec. 807. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$331,400.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Normal branch office operations; coverage of cash shortages.

Sec. 808. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Commemorative and specialty license plate fee revenue.

Sec. 809. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund and be available for future appropriation.

Collector plate and fund-raising registration plate revenues; distribution to Olympic education training center.

Sec. 810. (1) Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

(2) Funds or revenues in the Olympic education training center fund are appropriated for distribution to the Olympic education training center at Northern Michigan University. Distributions shall occur on a quarterly basis. Any undistributed revenue remaining at the end of the fiscal year shall be carried over into the next fiscal year.

Registered automotive repair facilities; training video.

Sec. 811. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Michigan organ donor program; public information campaign.

Sec. 812. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the department of state may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

Closing, consolidating, or relocating branch office; informing legislature.

Sec. 815. At least 180 days before closing or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

Online branch office transactions; number; report.

Sec. 815a. By December 15, the department of state shall report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies the number of branch office transactions completed online by Michigan residents in the immediately preceding fiscal year.

Credit and debit card services; service assessment; definition.

Sec. 816. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, is appropriated to the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution. Funds are allocated for expenditure when they are received by the department of treasury.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.