Sec. 384. (1) A state agency which applies for federal financial assistance shall notify the department within 10 days after the application is sent. The notification to apply for federal financial assistance shall be on a form prescribed by, and contain information requested by, the department. Within 10 days after the state agency receives notice that its application for federal financial assistance is awarded, rejected, revised, or deferred, the state agency shall provide notice of the award, rejection, revision, or deferment of the application to the department.

(2) Within 30 days after a state agency receives notice that a federal grant has been awarded to the state for which organizations or units of local government are eligible to apply, the state agency administering the federal grant program shall report to the legislature and the fiscal agencies the availability of the grant funds and the proposed plan for allocating the grant funds to the organizations or units of local government. A state agency shall not commit any federal grant funds before this notification to the legislature has occurred and a subsequent appropriation of the funds is made by the legislature.

(3) Before December 1 and June 1 of each year, each principal department shall report to the appropriations committees, the fiscal agencies, and the department estimates on the extent to which federal revenues appropriated have been realized and are expected for the remainder of the fiscal year. The report shall detail the estimate by program or grant, and catalog of federal domestic assistance account.