

No. 55
STATE OF MICHIGAN
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House of Representatives
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House Chamber, Lansing, Thursday, June 8, 2017.

12:00 Noon.

The House was called to order by the Speaker.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Afendoulis—present	Frederick—present	Kelly—present	Reilly—present
Albert—present	Garcia—present	Kesto—present	Rendon—present
Alexander—present	Garrett—excused	Kosowski—present	Roberts—present
Allor—present	Gay-Dagnogo—present	LaFave—present	Robinson—present
Barrett—present	Geiss—present	LaGrand—present	Runestad—present
Bellino—present	Glenn—present	LaSata—present	Sabo—present
Bizon—present	Graves—present	Lasinski—present	Santana—present
Brann—present	Green—present	Lauwers—present	Schor—present
Brinks—present	Greig—present	Leonard—present	Scott—present
Byrd—present	Greimel—present	Leutheuser—present	Sheppard—present
Calley—present	Griffin—present	Liberati—present	Singh—present
Camilleri—present	Guerra—present	Lilly—present	Sneller—present
Canfield—present	Hammoud—present	Love—present	Sowerby—present
Chang—present	Hauck—present	Lower—present	Tedder—present
Chatfield—present	Hernandez—present	Lucido—present	Theis—present
Chirkun—present	Hertel—present	Marino—present	VanderWall—present
Clemente—present	Hoadley—present	Maturen—present	VanSingel—present
Cochran—present	Hoitenga—present	McCready—present	Vaupel—present
Cole—present	Hornberger—present	Miller—present	VerHeulen—present
Cox—present	Howell—present	Moss—present	Victory—present
Crawford—present	Howrylak—present	Neeley—present	Webber—present
Dianda—present	Hughes—present	Noble—present	Wentworth—present
Durhal—present	Iden—present	Pagan—present	Whiteford—present
Elder—present	Inman—present	Pagal—present	Wittenberg—present
Ellison—present	Johnson—present	Peterson—present	Yanez—present
Faris—present	Jones—present	Phelps—present	Yaroch—present
Farrington—present	Kahle—present	Rabhi—present	Zemke—present

e/d/s = entered during session

Rev. Stan Parker, Pastor of Faith Fellowship Baptist Church in Lansing, offered the following invocation:

“We come before You today to give You honor and praise for You are worthy. We understand and accept the reality of You being the true source of all that is Good. We ask Your blessings upon this session. May the discussions of the House of Representatives be fruitful and consistent with Your will for the Citizens of Michigan. May those whom You have ordained, use wisdom in making decisions for the people of the state of Michigan. We ask that You would guide and direct this session so that it is full of wisdom, productivity, and respect for different views. We, Thank You in advance for the cooperation and collaboration of the Members of the House of Representatives. May Your presence be remembered by the House of Representatives as they accomplish the work and goals for this session. In Jesus Name, Amen.”

The Speaker called the Speaker Pro Tempore to the Chair.

Rep. Greig moved that Rep. Garrett be excused from today’s session.
The motion prevailed.

Rep. Lauwers moved that House Committees be given leave to meet during the balance of today’s session.
The motion prevailed.

Motions and Resolutions

Reps. Cole, Allor, Chirkun, Clemente, Ellison, Faris, Geiss, Greig, Hertel, Howrylak, Jones, Kahle, Liberati, Love, Maturen, Rendon, Sabo, Sneller, Webber and Whiteford offered the following resolution:

House Resolution No. 116.

A resolution to declare June 6, 2017, as Diabetes and Cardiovascular Disease Awareness Day in the state of Michigan.

Whereas, Diabetes affects more than 29 million Americans and is a chronic condition that occurs when the body does not properly produce or use the hormone insulin that regulates blood sugar; and

Whereas, Type 2 diabetes is the most common type of diabetes, representing an estimated 90 to 95 percent of all diagnosed adult diabetes cases in the United States; and

Whereas, Michigan has a higher prevalence of diabetes than the nation as a whole. It is estimated that 701,000 Michigan adults have been diagnosed with diabetes, and another 364,400 have undiagnosed diabetes. Diabetes is the seventh leading cause of death in Michigan. Diabetes costs an estimated \$10.5 billion in Michigan each year; and

Whereas, Cardiovascular disease is a term used to define problems with the heart and blood vessels such as heart attacks, heart failure and strokes; and

Whereas, Cardiovascular disease is the leading cause of death associated with diabetes due to complications associated with diabetes, such as high blood sugar, high blood pressure, and obesity; and

Whereas, In Michigan, 28 percent of people with diabetes aged 18 and older reported having cardiovascular disease; and

Whereas, People with type 2 diabetes are at two to four times greater risk for developing heart disease, stroke, or other cardiovascular disease, and at an earlier age; and

Whereas, Findings from a recent study revealed 52 percent of adults living with type 2 diabetes are unaware they are at an increased risk; and

Whereas, Two out of three deaths in people with type 2 diabetes are attributed to cardiovascular disease in the U.S., accounting for 68 percent of deaths in people with type 2 diabetes; and

Whereas, The total health care costs for the treatment of diabetes were reported to be approximately \$245 billion annually, with direct medical costs accounting for \$176 billion of the total costs. In 2013, cardiovascular disease was 28% of the costs for treating diabetes patients; and

Whereas, Appropriate awareness and education about the cardiovascular risks associated with diabetes can effectively reduce the overall outcome and financial burden of the illness; and

Whereas, The Michigan Department of Health and Human Services and other relevant partners seek to promote awareness, education, and action related to diabetes and the link to cardiovascular disease; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare June 6, 2017, as Diabetes and Cardiovascular Disease Awareness Day in the state of Michigan. We encourage state agencies, public health authorities, healthcare providers, employers, insurers, and other healthcare stakeholders to promote education and awareness of the connection between diabetes and cardiovascular disease, risk factors, and opportunities to promote better health for the individuals and populations at risk.

The question being on the adoption of the resolution,

Rep. Cole moved to substitute (H-1) the resolution as follows:

Substitute for House Resolution No. 116.

A resolution to declare June 6, 2017, as Diabetes and Cardiovascular Disease Awareness Day in the state of Michigan.

Whereas, Type 2 diabetes affects more than 29 million Americans and is a chronic condition that occurs when the body does not properly produce or use the hormone insulin that regulates blood sugar; and

Whereas, Type 2 diabetes is the most common type of diabetes, representing an estimated 90 to 95 percent of all diagnosed adult diabetes cases in the United States; and

Whereas, Michigan has a higher prevalence of diabetes than the nation as a whole. In 2011, it was estimated that 701,000 Michigan adults have been diagnosed with diabetes, and another 364,400 have undiagnosed diabetes. Diabetes is the seventh leading cause of death in Michigan; and

Whereas, Cardiovascular disease is a term used to define problems with the heart and blood vessels such as heart attacks, heart failure and strokes; and

Whereas, Cardiovascular disease is the leading cause of death associated with diabetes due to complications associated with diabetes, such as high blood sugar, high blood pressure, and obesity; and

Whereas, People with type 2 diabetes are at two to four times greater risk for developing heart disease, stroke, or other cardiovascular disease, and at an earlier age; and

Whereas, Findings from a recent study revealed 52 percent of adults living with type 2 diabetes are unaware they are at an increased risk; and

Whereas, Two out of three deaths in people with type 2 diabetes are attributed to cardiovascular disease in the U.S., accounting for 68 percent of deaths in people with type 2 diabetes; and

Whereas, The total health care costs for the treatment of diabetes were reported to be approximately \$245 billion annually, with direct medical costs accounting for \$176 billion of the total costs. In 2013, cardiovascular disease was 28% of the costs for treating diabetes patients; and

Whereas, Appropriate awareness and education about the cardiovascular risks associated with diabetes can effectively reduce the overall outcome and financial burden of the illness; and

Whereas, The Michigan Department of Health and Human Services and other relevant partners seek to promote awareness, education, and action related to diabetes and the link to cardiovascular disease; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare June 6, 2017, as Diabetes and Cardiovascular Disease Awareness Day in the state of Michigan. We encourage state agencies, public health authorities, healthcare providers, employers, insurers, and other healthcare stakeholders to promote education and awareness of the connection between diabetes and cardiovascular disease, risk factors, and opportunities to promote better health for the individuals and populations at risk.

The motion prevailed and the substitute (H-1) was adopted, a majority of the members serving voting therefor.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Bellino, Barrett, Glenn, Noble, VerHeulen, Reilly, Alexander, Hornberger, Hauck, Lucido, VanSingel, Theis, Lilly, Hughes, Albert, Allor, Chirkun, Clemente, Ellison, Faris, Geiss, Greig, Hertel, Howrylak, Jones, Kahle, Liberati, Love, Maturen, Moss, Rendon, Sabo, Schor, Sneller, Webber and Whiteford offered the following resolution:

House Resolution No. 117.

A resolution to declare June 10, 2017, as Alcoholics Anonymous Day in the state of Michigan.

Whereas, On June 10, 1935, Bill Wilson and Dr. Bob Smith first met, and what grew out of that meeting was Alcoholics Anonymous; and

Whereas, Out of Alcoholics Anonymous, the 12 step program, a set of spiritual guiding principles to assist in recovery from alcoholism, was developed; and

Whereas Alcoholics Anonymous has been a positive guide for countless people the world over as they have battled the disease of alcoholism; and

Whereas, Numerous people, both in America and worldwide, are sober because of their experiences in Alcoholics Anonymous; and

Whereas, The 12 step program developed by Alcoholics Anonymous has been adopted by numerous other groups around the world to assist people struggling with other addictions, such as narcotics, gambling, and overeating; and

Whereas, The religious and spiritual community around the globe has praised the 12 steps of Alcoholics Anonymous, with some going so far as to coin it America's gift to world spirituality.

Whereas, We stand in solidarity with our families, friends and neighbors struggling with alcoholism; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare June 10, 2017, as Alcoholics Anonymous Day in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Love, Hammoud, Elder, Geiss, Chang, Gay-Dagnogo, Peterson, Rabhi, Cochran, Sabo, Wittenberg, Byrd, Moss, Sowerby, Green, Chirkun, Ellison, Faris, Greig, Hertel, Jones, Liberati, Maturen and Sneller offered the following resolution:

House Resolution No. 118.

A resolution to encourage all of Michigan's public universities to enact welcoming policies and procedures for students from all over the world.

Whereas, Michigan colleges and universities should be welcoming places of learning for students from all over the world in order to promote a rich environment of cultural diversity. Learning with people from a variety of backgrounds allows free communication, encourages collaboration and fosters innovation, thereby benefitting all students; and

Whereas, Through body of law, the Michigan Legislature has worked purposefully to ensure that government protects the rights and liberties guaranteed in our constitution and discourages the systematic violation of the rights of people in our state. Policies that contribute to community divisiveness by perpetuating negative and inaccurate stereotypes about immigrant communities and visitors do not reflect the cultural fabric of this state. Resistance against hatred, racism, and xenophobia is a constant battle from which we cannot retire; and

Whereas, An individual's right to privacy is protected by the Fourth Amendment to the U.S. Constitution. Foreign students and staff should be allowed the right to work and study on college campuses in peace without release of their personal information or unwarranted searches by campus police in cooperation with federal immigration authorities; now, therefore, be it

Resolved by the House of Representatives, That we encourage all of Michigan's public universities to enact welcoming policies and procedures for new students from all over the world; and be it further

Resolved, That copies of this resolution be transmitted to the Michigan Association of State Universities.

The resolution was referred to the Committee on Education Reform.

Reps. Brinks, Greig, Schor, Garrett, Jones, Sowerby, Moss, Pagan, Hoadley, Camilleri, Love, Durhal, Gay-Dagnogo, Sneller, Faris, Clemente, Rabhi, Ellison, Liberati, Sabo, LaGrand, Hammoud, Elder, Lasinski, Yanez, Green, Chirkun, Santana, Robinson, Dianda, Cochran, Geiss, Guerra, Scott, Byrd, Hertel, Neeley, Peterson, Wittenberg, Singh and Zemke offered the following resolution:

House Resolution No. 119.

A resolution to urge the Governor to abandon his appeal to the Michigan Supreme Court of Public Act 75 of 2010 and immediately refund the unconstitutionally obtained contributions made by Michigan education professionals.

Whereas, Public Act 75 of 2010 significantly revised the Public School Employees' Retirement Act. In particular, the act began requiring all public school employees contribute 3 percent of their salaries to the Michigan Public School Employees' Retirement System without the guarantee of receiving their benefits upon retirement. Contributions made from this provision were deposited into an irrevocable trust that was to be used to pay for the retirement health care benefits of retirees and their eligible dependents; and

Whereas, When challenged in front of the Michigan Supreme Court, the 3 percent contribution could not withstand scrutiny, forcing the mandatory collection to end in 2012. These contributions—made to a non-vesting retiree health benefit program—were considered a mandatory employee deduction, and the court found the requirement to be in violation of the U.S. and Michigan constitutions; and

Whereas, During the three years the policy was in effect, the state collected hundreds of millions of dollars. Challenged again by the state, this decision was upheld by the Court of Appeals, which also ordered the contributions to be returned to the workers with interest; and

Whereas, Despite the low probability of a successful appeal, Governor Snyder has requested that the Michigan Supreme Court overturn the lower courts. This stance continues to drag the state through an expensive and long appeals process that ill-serves the state and is a disservice to these hardworking employees; and

Whereas, Until the appeal is upheld or abandoned, the state Office of Retirement Services cannot issue refunds. Since the end of the policy nearly five years ago, contributors to the Michigan Public School Employees' Retirement System have waited for the Snyder administration to return more than \$550 million in illegally obtained contributions and interest. Michigan educators are overdue for the return of their pay, with interest, that has been illegally collected and withheld; now, therefore, be it

Resolved by the House, That we urge the Governor to abandon his appeal to the Michigan Supreme Court of Public Act 75 of 2010 and immediately refund the unconstitutionally obtained contributions made by Michigan education professionals; and be it further

Resolved, That copies of this resolution be transmitted to the Governor of the State of Michigan.

The resolution was referred to the Committee on Government Operations.

Second Reading of Bills

House Bill No. 4508, entitled

A bill to create a program under which volunteers may provide services to organizations in this state to respond to cybersecurity incidents; to provide for protection from liability for personal injury and property damage; to provide for the powers and duties of state governmental officers and agencies; and to create the Michigan cyber civilian corps advisory board and prescribe its powers and duties.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Communications and Technology,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Iden moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

The Speaker Pro Tempore called Associate Speaker Pro Tempore Tedder to the Chair.

Senate Bill No. 159, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 722 (MCL 257.722), as amended by 2016 PA 72.

The bill was read a second time.

Rep. Lauwers moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Senate Bill No. 239, entitled

A bill to amend 1925 PA 12, entitled "An act to provide for the laying out and establishing of additional trunk line mileage; to make all roads that have been improved as federal aid projects, and all roads that have been, or that may hereafter be, approved for federal aid, trunk line highways; to provide for the widening, altering or straightening of trunk line highways; to provide for the abandonment, alteration or change of any portion of the trunk line highway; and to repeal all acts and parts of acts inconsistent herewith," (MCL 250.111 to 250.115) by adding section 3.

The bill was read a second time.

Rep. Lauwers moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

House Bill No. 4320, entitled

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

The bill was read a second time.

Rep. Cox moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

By unanimous consent the House returned to the order of

Reports of Standing Committees

The Speaker laid before the House

House Resolution No. 105.

A resolution to support the United Nations' efforts to eliminate female genital mutilation worldwide, and urge the state of Michigan to do everything it can to end female genital mutilation in the state.

(For text of resolution, see House Journal No. 48, p. 628.)

(The resolution was reported by the Committee on Law and Justice on June 6.)

The question being on the adoption of the resolution,

The resolution was adopted.

Third Reading of Bills

House Bill No. 4636, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 136.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 187

Yeas—105

Afendoulis	Frederick	Kesto	Reilly
Albert	Garcia	Kosowski	Rendon
Alexander	Gay-Dagnogo	LaFave	Roberts
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Hughes	Neeley	Webber
Crawford	Iden	Noble	Wentworth
Dianda	Inman	Pagan	Whiteford
Durhal	Johnson	Pagel	Wittenberg
Elder	Jones	Peterson	Yanez
Ellison	Kahle	Phelps	Yaroch
Faris	Kelly	Rabhi	Zemke
Farrington			

Nays—2

Howrylak

Robinson

In The Chair: Tedder

The House agreed to the title of the bill.
 Rep. Lauwers moved that the bill be given immediate effect.
 The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Howrylak, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Female genital mutilation is a terrible crime and we should work hard to eradicate it from this world. I appreciate the efforts and the intent of the bill sponsors in this regard. However, Federal law already makes female genital mutilation a crime. In fact, we have recently seen the impact of the federal enforcement of this crime here in Michigan.

These bills create a punishment that is significantly harsher than Federal statute. There are numerous potential unintended consequences that haven’t been addressed or remedied in the bills. For example, newcomers from overseas lands where genital mutilation is widespread may not seek medical care or other services for their children, for fear of being charged, having their children removed and being deported. Additionally, penalizing child victims again by removing them from their families will do nothing but damage the children. Removing children from their families would be traumatic and runs counter to the bill sponsors’ stated goal of protecting children. A more sensible and effective approach to ending female genital mutilation would be to focus on educating parents, families and community leaders instead of instituting a very harsh and punitive punishment. Indeed, true change starts in communities and families first.

Additionally, because the language in these bills is overly broad, it will have the unintended consequence of penalizing individuals who are intersex and those who are seeking gender reassignment surgery. Neither of these circumstances are part of the stated intent of these bills. With more thoughtful consideration, these bills could have been more thoughtfully and carefully written to be narrowly tailored enough to only prohibit female genital mutilation.”

House Bill No. 4637, entitled

A bill to amend 1931 PA 328, entitled “The Michigan penal code,” (MCL 750.1 to 750.568) by adding section 136a. Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 188

Yeas—105

Afendoulis	Frederick	Kesto	Reilly
Albert	Garcia	Kosowski	Rendon
Alexander	Gay-Dagnogo	LaFave	Roberts
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Hughes	Neeley	Webber
Crawford	Iden	Noble	Wentworth
Dianda	Inman	Pagan	Whiteford
Durhal	Johnson	Pagel	Wittenberg

Elder
Ellison
Faris
Farrington

Jones
Kahle
Kelly

Peterson
Phelps
Rabhi

Yanez
Yaroach
Zemke

Nays—2

Howrylak

Robinson

In The Chair: Tedder

The House agreed to the title of the bill.
Rep. Lauwers moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Howrylak, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Female genital mutilation is a terrible crime and we should work hard to eradicate it from this world. I appreciate the efforts and the intent of the bill sponsors in this regard. However, Federal law already makes female genital mutilation a crime. In fact, we have recently seen the impact of the federal enforcement of this crime here in Michigan.

These bills create a punishment that is significantly harsher than Federal statute. There are numerous potential unintended consequences that haven’t been addressed or remedied in the bills. For example, newcomers from overseas lands where genital mutilation is widespread may not seek medical care or other services for their children, for fear of being charged, having their children removed and being deported. Additionally, penalizing child victims again by removing them from their families will do nothing but damage the children. Removing children from their families would be traumatic and runs counter to the bill sponsors’ stated goal of protecting children. A more sensible and effective approach to ending female genital mutilation would be to focus on educating parents, families and community leaders instead of instituting a very harsh and punitive punishment. Indeed, true change starts in communities and families first.

Additionally, because the language in these bills is overly broad, it will have the unintended consequence of penalizing individuals who are intersex and those who are seeking gender reassignment surgery. Neither of these circumstances are part of the stated intent of these bills. With more thoughtful consideration, these bills could have been more thoughtfully and carefully written to be narrowly tailored enough to only prohibit female genital mutilation.”

House Bill No. 4638, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 16g of chapter XVII (MCL 777.16g), as amended by 2012 PA 195.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 189

Yeas—105

Afendoulis
Albert
Alexander
Allor
Barrett
Bellino

Frederick
Garcia
Gay-Dagnogo
Geiss
Glenn
Graves

Kesto
Kosowski
LaFave
LaGrand
LaSata
Lasinski

Reilly
Rendon
Roberts
Runestad
Sabo
Santana

Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Hughes	Neeley	Webber
Crawford	Iden	Noble	Wentworth
Dianda	Inman	Pagan	Whiteford
Durhal	Johnson	Pagel	Wittenberg
Elder	Jones	Peterson	Yanez
Ellison	Kahle	Phelps	Yaroch
Faris	Kelly	Rabhi	Zemke
Farrington			

Nays—2

Howrylak

Robinson

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Howrylak, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

Female genital mutilation is a terrible crime and we should work hard to eradicate it from this world. I appreciate the efforts and the intent of the bill sponsors in this regard. However, Federal law already makes female genital mutilation a crime. In fact, we have recently seen the impact of the federal enforcement of this crime here in Michigan.

These bills create a punishment that is significantly harsher than Federal statute. There are numerous potential unintended consequences that haven’t been addressed or remedied in the bills. For example, newcomers from overseas lands where genital mutilation is widespread may not seek medical care or other services for their children, for fear of being charged, having their children removed and being deported. Additionally, penalizing child victims again by removing them from their families will do nothing but damage the children. Removing children from their families would be traumatic and runs counter to the bill sponsors’ stated goal of protecting children. A more sensible and effective approach to ending female genital mutilation would be to focus on educating parents, families and community leaders instead of instituting a very harsh and punitive punishment. Indeed, true change starts in communities and families first.

Additionally, because the language in these bills is overly broad, it will have the unintended consequence of penalizing individuals who are intersex and those who are seeking gender reassignment surgery. Neither of these circumstances are part of the stated intent of these bills. With more thoughtful consideration, these bills could have been more thoughtfully and carefully written to be narrowly tailored enough to only prohibit female genital mutilation.”

House Bill No. 4639, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” by amending sections 16221 and 16226 (MCL 333.16221 and 333.16226), as amended by 2016 PA 379.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 190**Yeas—105**

Afendoulis	Frederick	Kesto	Reilly
Albert	Garcia	Kosowski	Rendon
Alexander	Gay-Dagnogo	LaFave	Roberts
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Hughes	Neeley	Webber
Crawford	Iden	Noble	Wentworth
Dianda	Inman	Pagan	Whiteford
Durhal	Johnson	Pagel	Wittenberg
Elder	Jones	Peterson	Yanez
Ellison	Kahle	Phelps	Yaroch
Faris	Kelly	Rabhi	Zemke
Farrington			

Nays—2

Howrylak Robinson

In The Chair: Tedder

The House agreed to the title of the bill.
Rep. Lauwers moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Howrylak, having reserved the right to explain his protest against the passage of the bill, made the following statement:

“Mr. Speaker and members of the House:

I have deep reservations about requiring the mandatory permanent revocation of a license for a crime that is delineated in a poorly written, and somewhat ambiguous, statute. A more reasonable approach would be to allow for the revocation of the license, but not to mandate permanent revocation.”

House Bill No. 4641, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” (MCL 600.101 to 600.9947) by adding section 5851a.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 191**Yeas—107**

Afendoulis	Frederick	Kesto	Rendon
Albert	Garcia	Kosowski	Roberts
Alexander	Gay-Dagnogo	LaFave	Robinson
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Howrylak	Neeley	Webber
Crawford	Hughes	Noble	Wentworth
Dianda	Iden	Pagan	Whiteford
Durhal	Inman	Pagel	Wittenberg
Elder	Johnson	Peterson	Yanez
Ellison	Jones	Phelps	Yaroch
Faris	Kahle	Rabhi	Zemke
Farrington	Kelly	Reilly	

Nays—0

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

House Bill No. 4642, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 9159.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 192**Yeas—107**

Afendoulis	Frederick	Kesto	Rendon
Albert	Garcia	Kosowski	Roberts

Alexander	Gay-Dagnogo	LaFave	Robinson
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Howrylak	Neeley	Webber
Crawford	Hughes	Noble	Wentworth
Dianda	Iden	Pagan	Whiteford
Durhal	Inman	Pagel	Wittenberg
Elder	Johnson	Peterson	Yanez
Ellison	Jones	Phelps	Yaroch
Faris	Kahle	Rabhi	Zemke
Farrington	Kelly	Reilly	

Nays—0

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

House Bill No. 4661, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," (MCL 600.101 to 600.9947) by adding section 2978.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 193**Yeas—107**

Afendoulis	Frederick	Kesto	Rendon
Albert	Garcia	Kosowski	Roberts
Alexander	Gay-Dagnogo	LaFave	Robinson
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby

Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Howrylak	Neeley	Webber
Crawford	Hughes	Noble	Wentworth
Dianda	Iden	Pagan	Whiteford
Durhal	Inman	Pagel	Wittenberg
Elder	Johnson	Peterson	Yanez
Ellison	Jones	Phelps	Yaroch
Faris	Kahle	Rabhi	Zemke
Farrington	Kelly	Reilly	

Nays—0

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

House Bill No. 4690, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 24 of chapter VII (MCL 767.24), as amended by 2014 PA 324.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 194**Yeas—107**

Afendoulis	Frederick	Kesto	Rendon
Albert	Garcia	Kosowski	Roberts
Alexander	Gay-Dagnogo	LaFave	Robinson
Allor	Geiss	LaGrand	Runestad
Barrett	Glenn	LaSata	Sabo
Bellino	Graves	Lasinski	Santana
Bizon	Green	Lauwers	Schor
Brann	Greig	Leonard	Scott
Brinks	Greimel	Leutheuser	Sheppard
Byrd	Griffin	Liberati	Singh
Calley	Guerra	Lilly	Sneller
Camilleri	Hammoud	Love	Sowerby
Canfield	Hauck	Lower	Tedder
Chang	Hernandez	Lucido	Theis
Chatfield	Hertel	Marino	VanderWall
Chirkun	Hoadley	Maturen	VanSingel
Clemente	Hoitenga	McCready	Vaupel
Cochran	Hornberger	Miller	VerHeulen
Cole	Howell	Moss	Victory
Cox	Howrylak	Neeley	Webber
Crawford	Hughes	Noble	Wentworth
Dianda	Iden	Pagan	Whiteford

Durhal	Inman	Pagel	Wittenberg
Elder	Johnson	Peterson	Yanez
Ellison	Jones	Phelps	Yaroch
Faris	Kahle	Rabhi	Zemke
Farrington	Kelly	Reilly	

Nays—0

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Rep. Lauwers moved that **House Bill No. 4320** be placed on its immediate passage.

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

House Bill No. 4320, entitled

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 195**Yeas—63**

Afendoulis	Garcia	Kesto	Rendon
Albert	Glenn	LaFave	Roberts
Alexander	Graves	LaSata	Runestad
Allor	Griffin	Lauwers	Sheppard
Barrett	Hauck	Leonard	Tedder
Bellino	Hernandez	Leutheuser	Theis
Bizon	Hoitenga	Lilly	VanderWall
Brann	Hornberger	Lower	VanSingel
Calley	Howell	Lucido	Vaupel
Canfield	Howrylak	Marino	VerHeulen
Chatfield	Hughes	Maturen	Victory
Cole	Iden	McCready	Webber
Cox	Inman	Miller	Wentworth
Crawford	Johnson	Noble	Whiteford
Farrington	Kahle	Pagel	Yaroch
Frederick	Kelly	Reilly	

Nays—44

Brinks	Faris	Kosowski	Robinson
Byrd	Gay-Dagnogo	LaGrand	Sabo
Camilleri	Geiss	Lasinski	Santana
Chang	Green	Liberati	Schor
Chirkun	Greig	Love	Scott
Clemente	Greimel	Moss	Singh
Cochran	Guerra	Neeley	Sneller

Dianda	Hammoud	Pagan	Sowerby
Durhal	Hertel	Peterson	Wittenberg
Elder	Hoadley	Phelps	Yanez
Ellison	Jones	Rabhi	Zemke

In The Chair: Tedder

The House agreed to the title of the bill.

Rep. Lauwers moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

House Bill No. 4285, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 47 and 89a (MCL 211.47 and 211.89a), section 47 as amended by 1994 PA 253 and section 89a as amended by 2008 PA 512.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 196

Yeas—106

Afendoulis	Garcia	Kosowski	Rendon
Albert	Gay-Dagnogo	LaFave	Roberts
Alexander	Geiss	LaGrand	Robinson
Allor	Glenn	LaSata	Runestad
Barrett	Graves	Lasinski	Sabo
Bellino	Green	Lauwers	Santana
Bizon	Greig	Leonard	Schor
Brann	Greimel	Leutheuser	Scott
Brinks	Griffin	Liberati	Sheppard
Byrd	Guerra	Lilly	Singh
Calley	Hammoud	Love	Sneller
Camilleri	Hauck	Lower	Sowerby
Canfield	Hernandez	Lucido	Tedder
Chatfield	Hertel	Marino	Theis
Chirkun	Hoadley	Maturen	VanderWall
Clemente	Hoitenga	McCready	VanSingel
Cochran	Hornberger	Miller	Vaupel
Cole	Howell	Moss	VerHeulen
Cox	Howrylak	Neeley	Victory
Crawford	Hughes	Noble	Webber
Dianda	Iden	Pagan	Wentworth
Durhal	Inman	Pagel	Whiteford
Elder	Johnson	Peterson	Wittenberg
Ellison	Jones	Phelps	Yanez
Faris	Kahle	Rabhi	Yarocho
Farrington	Kelly	Reilly	Zemke
Frederick	Kesto		

Nays—1

Chang

In The Chair: Tedder

The House agreed to the title of the bill.
 Rep. Lauwers moved that the bill be given immediate effect.
 The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of
Motions and Resolutions

Rep. Lauwers moved that when the House adjourns today it stand adjourned until Tuesday, June 13, at 10:00 a.m.
 The motion prevailed.

Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills had been reproduced and made available electronically on Wednesday, June 7:

House Bill Nos. 4706 4707 4708 4709 4710 4711 4712 4713 4714 4715 4716 4717

The Clerk announced that the following bills had been reproduced and made available electronically on Thursday, June 8:

Senate Bill Nos. 442 443 444 445 446

The Clerk announced that the following Senate bills had been received on Thursday, June 8:

Senate Bill Nos. 258 260 267 297 316 394

Reports of Select Committees

First Conference Report

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

House Bill No. 4233, entitled

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2018, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions	499.0	
GROSS APPROPRIATION		\$ 299,437,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,550,600
ADJUSTED GROSS APPROPRIATION		\$ 297,886,700
Federal revenues:		
Total federal revenues.....		6,464,100
Special revenue funds:		
Total local revenues.....		5,955,300
Total private revenues.....		969,600

	For Fiscal Year Ending Sept. 30, 2018
Total other state restricted revenues	92,529,000
State general fund/general purpose	\$ 191,968,700
Sec. 102. SUPREME COURT	
Full-time equated exempted positions	246.0
Community dispute resolution—3.0 FTE positions	\$ 2,384,000
Direct trial court automation support—44.0 FTE positions	5,955,300
Drug treatment courts	11,833,000
Foster care review board—10.0 FTE positions	1,317,100
Judicial information systems—22.0 FTE positions	4,379,100
Judicial institute—13.0 FTE positions	1,819,400
Mental health courts and diversion services—1.0 FTE position	5,464,000
Next generation Michigan court system	4,116,000
Other federal grants	275,100
State court administrative office—61.0 FTE positions	12,306,400
Supreme court administration—92.0 FTE positions	13,765,800
Swift and sure sanctions program	4,000,000
Veterans courts	936,400
GROSS APPROPRIATION	\$ 68,551,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections	50,600
IDG from department of state police	1,500,000
Federal revenues:	
DOJ, drug court training and evaluation	300,000
DOT, National Highway Traffic Safety Administration	2,214,400
HHS, access and visitation grant	622,900
HHS, children’s justice grant	236,100
HHS, court improvement project	1,320,600
HHS, title IV-D child support program	1,031,800
HHS, title IV-E foster care program	395,900
Other federal grant revenues	275,100
Special revenue funds:	
Local - user fees	5,955,300
Private	193,400
Private - interest on lawyers trust accounts	266,100
Private - state justice institute	425,300
Community dispute resolution fund	2,384,000
Court of appeals filing/motion fees	1,641,800
Drug court fund	1,920,500
Justice system fund	581,000
Law exam fees	657,000
Miscellaneous revenue	275,700
State court fund	388,000
State general fund/general purpose	\$ 45,916,100
Sec. 103. COURT OF APPEALS	
Full-time equated exempted positions	175.0
Court of appeals operations—175.0 FTE positions	\$ 23,446,900
GROSS APPROPRIATION	\$ 23,446,900
Appropriated from:	
State general fund/general purpose	\$ 23,446,900
Sec. 104. BRANCHWIDE APPROPRIATIONS	
Full-time equated exempted positions	4.0
Branchwide appropriations—4.0 FTE positions	\$ 9,123,100
GROSS APPROPRIATION	\$ 9,123,100
Appropriated from:	
State general fund/general purpose	\$ 9,123,100

For Fiscal Year
Ending Sept. 30,
2018

Sec. 105. JUSTICES' AND JUDGES' COMPENSATION

Full-time judges positions	588.0	
Supreme court justices' salaries—7.0 justices		\$ 1,152,300
Circuit court judges' state base salaries—214.0 judges		21,364,800
Circuit court judicial salary standardization.....		9,785,000
Court of appeals judges' salaries—27.0 judges		4,252,700
District court judges' state base salaries—237.0 judges		23,254,600
District court judicial salary standardization.....		10,836,700
Probate court judges' state base salaries—103.0 judges		10,203,000
Probate court judicial salary standardization.....		4,669,600
Judges' retirement system defined contributions		4,761,200
OASI, social security.....		5,954,100
GROSS APPROPRIATION		<u>\$ 96,234,000</u>

Appropriated from:

Special revenue funds:

Court fee fund		2,702,100
State general fund/general purpose		<u>\$ 93,531,900</u>

Sec. 106. JUDICIAL AGENCIES

Full-time equated exempted positions	7.0	
Judicial tenure commission—7.0 FTE positions		\$ 1,149,700
GROSS APPROPRIATION		<u>\$ 1,149,700</u>

Appropriated from:

State general fund/general purpose		<u>\$ 1,149,700</u>
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Sec. 107. INDIGENT DEFENSE - CRIMINAL

Full-time equated exempted positions	51.0	
Appellate public defender program—51.0 FTE positions.....		\$ 7,795,000
GROSS APPROPRIATION		<u>\$ 7,795,000</u>

Appropriated from:

Federal revenues:

Other federal grant revenues		67,300
Special revenue funds:		
Private - interest on lawyers trust accounts.....		84,800
Miscellaneous revenue.....		136,900
State general fund/general purpose		<u>\$ 7,506,000</u>

Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE

Indigent civil legal assistance.....		\$ 7,937,000
GROSS APPROPRIATION		<u>\$ 7,937,000</u>

Appropriated from:

Special revenue funds:

State court fund		7,937,000
State general fund/general purpose		<u>\$ 0</u>

Sec. 109. TRIAL COURT OPERATIONS

Full-time equated exempted positions	5.0	
Court equity fund reimbursements		\$ 60,815,700
Drug case-flow program.....		250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement		6,600,000
Statewide e-file system—5.0 FTE positions		8,500,000
GROSS APPROPRIATION		<u>\$ 84,280,700</u>

Appropriated from:

Special revenue funds:

Court equity fund		50,440,000
Drug fund		250,000
Drunk driving fund.....		3,300,000
Electronic filing fee fund		<u>8,500,000</u>

	For Fiscal Year Ending Sept. 30, 2018
Judicial technology improvement fund	4,815,000
Juror compensation fund	6,600,000
State general fund/general purpose	\$ 10,375,700
Sec. 110. ONE-TIME APPROPRIATIONS	
Full-time equated exempted positions	11.0
Compliance with Montgomery v Louisiana—11.0 FTE positions.....	\$ 700,000
Expansion of problem solving courts.....	219,300
GROSS APPROPRIATION	\$ 919,300
Appropriated from:	
State general fund/general purpose	\$ 919,300

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2017-2018 is \$284,497,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is \$147,230,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

Drug treatment courts.....	\$ 11,833,000
Mental health courts and diversion services.....	5,331,400
Next generation Michigan court system.....	4,116,000
State court administrative office.....	300,000
Swift and sure sanctions program	3,900,000
Veterans courts	936,400

JUSTICES' AND JUDGES' COMPENSATION

Circuit court judicial salary standardization.....	\$ 9,785,000
District court judicial salary standardization.....	10,836,700
Probate court judges' state base salaries.....	10,203,000
Probate court judicial salary standardization.....	4,669,600
Grant to OASI contribution fund, employer's share, social security	1,038,600

TRIAL COURT OPERATIONS

Court equity fund reimbursements	\$ 60,815,700
Drug case-flow program.....	250,000
Drunk driving case-flow program	3,300,000
Judicial technology improvement fund	4,815,000
Juror compensation reimbursement	6,600,000
Statewide e-file system.....	8,500,000
TOTAL.....	\$ 147,230,400

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

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

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

- (a) "DOJ" means the United States Department of Justice.
- (b) "DOT" means the United States Department of Transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States Department of Health and Human Services.
- (e) "IDG" means interdepartmental grant.
- (f) "OASI" means old age survivor's insurance.
- (g) "SADO" means the state appellate defender office created under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719.

(h) "Title IV-D" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.

(i) "Title IV-E" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

Sec. 207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) 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.

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

Sec. 211. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at \$13,963,100.00. From this amount, total judiciary appropriations for pension-related legacy costs are estimated at \$7,815,500.00. Total judiciary appropriations for retiree health care legacy costs are estimated at \$6,777,600.00.

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

Sec. 216. It is the intent of the legislature that judges who are presiding over a hearing on a foster care case shall publicly acknowledge and request the input of the foster parent or foster parents during the hearing.

Sec. 217. If the judicial branch makes any changes to a foster care family service plan before its finalization, it is the intent of the legislature that the presiding judge provide an explanation for any changes to that plan in the court record.

Sec. 218. From the funds appropriated in part 1, the state court administrative office shall evaluate programs within the department of health and human services and the department of talent and economic development to establish programmatic connections with the participants in the swift and sure sanctions program. The purpose of this relationship is to leverage collaborations and to determine avenues of success for offenders who are eligible for state-provided programs. By March 1, the state court administrative office shall deliver guidance to courts participating in the swift and sure sanctions program under the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, detailing the evaluations and directing participants into available programming.

Sec. 219. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

JUDICIAL BRANCH

Sec. 301. From the funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

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

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 304. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The data in the judicial data warehouse shall be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. Any data provided under this section shall be public and non-identifying information.

Sec. 306. By February 1, the state court administrative office shall produce a statistical report, categorized by county, regarding both the collected and uncollected amounts of restitution payments, court fees, and any other applicable judgments placed upon persons within the county, reported for the year 2016.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall notify, within 14 days of the appropriation, the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

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

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

(4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

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

Sec. 316. (1) The state court administrative office shall conduct a study to evaluate pretrial risk assessment tools used in other states in an effort to provide relevant information to judges so they can make evidence-based bond decisions. The study shall assess criteria including, but not limited to, how pretrial risk assessment tools allow low-risk offenders released on their own recognizance to maintain employment, maintain relations with their families, and continue to contribute to their local communities; ensure consistency with bond decisions based on scientifically validated criteria; address potential bias in pretrial detention decision-making; and reduce costs associated with unnecessary pretrial detention.

(2) The state court administrative office shall solicit input from the Michigan District Judges Association on the feasibility of establishing a pretrial risk assessment tool in this state.

(3) The state court administrative office shall submit a report by March 1 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office that summarizes results of the study and outlines recommendations for piloting a pretrial risk assessment tool in this state. Recommendations shall include, but not be limited to, an implementation timeline and a breakdown of estimated costs associated with piloting a pretrial risk assessment tool.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the program, not more than \$100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, \$500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the department of corrections, shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office. The report shall include all of the following:

- (a) The number of offenders who participate in the program.
 - (b) The criminal history of offenders who participate in the program.
 - (c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.
 - (d) A detailed description of the establishment and parameters of the program.
- (3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 324. From the funds appropriated in part 1 for the medication-assisted treatment program, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

ONE-TIME APPROPRIATIONS

Sec. 401. From the funds appropriated in part 1 for veterans courts, \$68,000.00 shall be allocated to a veterans court in a county with a population of not less than 250,000 or more than 251,000 according to the 2010 federal decennial census. The purpose of this program expansion is to increase the number of participants and to decrease recidivism rates.

Sec. 402. (1) The state appellate defender office attorneys and support staff shall increase to ensure Michigan compliance with *Montgomery v Louisiana*, 577 US ____ (2016). The purpose of the program expansion is to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers. The representation by SADO counsel will create opportunities for release, saving prison costs for the state.

(2) From the funds appropriated in part 1, the state appellate defender office shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office on the number of juvenile lifer cases investigated and prepared by the state appellate defender office. The report shall include a calculation of hours spent and focus on incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may be avoided after the cases have been disposed.

PART 2A
 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
 FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. Fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

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

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Rob VerHeulen
 Tommy Brann
 Kristy Pagan
 Conferees for the House

John Proos
 Tonya Schuitmaker
 Conferees for the Senate

First Conference Report

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

House Bill No. 4231, entitled

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY

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

Full-time equated classified positions 1,227.0

GROSS APPROPRIATION \$ 507,317,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 3,100,500

ADJUSTED GROSS APPROPRIATION \$ 504,217,200

Federal revenues:

Total federal revenues..... 170,042,600

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 555,300

Total other state restricted revenues 287,825,300

State general fund/general purpose \$ 45,794,000

FUND SOURCE SUMMARY

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

Full-time equated classified positions 1,227.0

GROSS APPROPRIATION \$ 507,317,700

	For Fiscal Year Ending Sept. 30, 2018
Interdepartmental grant revenues:	
IDG from department of state police	1,754,600
IDG from state transportation department.....	1,345,900
Total interdepartmental grants and intradepartmental transfers	3,100,500
ADJUSTED GROSS APPROPRIATION	\$ 504,217,200
Federal revenues:	
Federal funds	170,042,600
Total federal revenues.....	170,042,600
Special revenue funds:	
Private funds.....	555,300
Total private revenues.....	555,300
Air emissions fees	12,224,200
Aquatic nuisance control fund.....	918,800
Campground fund.....	319,300
Clean Michigan initiative - clean water fund.....	3,417,100
Clean Michigan initiative - contaminated sediment.....	1,565,000
Clean Michigan initiative - nonpoint source	2,000,000
Cleanup and redevelopment fund.....	19,583,600
Community pollution prevention fund	250,000
Drinking water declaration of emergency reserve fund	100
Electronic waste recycling fund	329,200
Environmental education fund.....	168,500
Environmental pollution prevention fund.....	6,676,100
Environmental protection fund	2,447,600
Environmental response fund	3,776,600
Fees and collections	391,900
Financial instruments.....	9,455,900
Great Lakes protection fund.....	392,800
Groundwater discharge permit fees.....	1,762,000
Infrastructure construction fund	50,900
Laboratory services fees.....	4,237,900
Land and water permit fees.....	3,247,600
Landfill maintenance trust fund	31,000
Lawsuit settlement proceeds fund	3,000,000
Medical waste emergency response fund	332,600
Metallic mining surveillance fee revenue.....	100,600
Mineral well regulatory fee revenue.....	220,400
Nonferrous metallic mineral surveillance.....	358,900
NPDES fees.....	4,567,100
Oil and gas regulatory fund.....	5,164,500
Orphan well fund.....	2,415,200
Public swimming pool fund	655,000
Public utility assessments.....	413,500
Public water supply fees.....	4,938,700
Refined petroleum fund.....	56,612,900
Revitalization revolving loan fund	103,100
Revolving loan revenue bonds.....	15,000,000
Sand extraction fee revenue.....	92,600
Scrap tire regulatory fund.....	5,095,100
Septage waste contingency fund	3,400
Septage waste program fund	525,900
Settlement funds.....	426,100
Sewage sludge land application fee.....	994,500
Small business pollution prevention revolving loan fund	165,700
Soil erosion and sedimentation control training fund	169,900
Solid waste management fund - staff account.....	5,114,600

	For Fiscal Year Ending Sept. 30, 2018
Stormwater permit fees	3,024,800
Strategic water quality initiatives fund.....	81,196,000
Underground storage tank cleanup fund.....	20,016,800
Wastewater operator training fees	588,600
Water analysis fees	2,249,300
Water pollution control revolving fund	647,300
Water quality protection fund.....	100,000
Water use reporting fees	286,100
Total other state restricted revenues	287,825,300
State general fund/general purpose	\$ 45,794,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions	47.0
Unclassified salaries—6.0 FTE positions.....	\$ 776,600
Accounting service center	1,401,300
Administrative hearings.....	383,900
Central support services—34.0 FTE positions.....	7,184,100
Environmental support projects	5,000,000
Executive direction—13.0 FTE positions.....	2,117,800
Facilities management	1,000,000
Property management	7,070,500
GROSS APPROPRIATION	\$ 24,934,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police	61,000
Federal revenues:	
Federal funds	27,600
Special revenue funds:	
Air emissions fees	1,309,700
Campground fund.....	14,700
Cleanup and redevelopment fund.....	1,516,900
Electronic waste recycling fund	15,300
Environmental pollution prevention fund.....	802,700
Environmental protection fund	319,800
Environmental response fund	525,500
Fees and collections	27,900
Financial instruments.....	7,298,800
Great Lakes protection fund.....	14,100
Groundwater discharge permit fees	209,200
Laboratory services fees.....	155,300
Land and water permit fees.....	590,400
Lawsuit settlement proceeds fund	3,000,000
Medical waste emergency response fund	16,700
Metallic mining surveillance fee revenue.....	4,700
Mineral well regulatory fee revenue.....	8,400
Nonferrous metallic mineral surveillance.....	800
NPDES fees.....	260,700
Oil and gas regulatory fund.....	1,004,800
Orphan well fund.....	49,100
Public swimming pool fund	25,500
Public utility assessments.....	20,200
Public water supply fees.....	274,800
Refined petroleum fund.....	2,497,500
Sand extraction fee revenue.....	3,900
Scrap tire regulatory fund.....	157,700
Septage waste program fund	18,700

	For Fiscal Year Ending Sept. 30, 2018
Settlement funds	49,500
Sewage sludge land application fee.....	120,700
Small business pollution prevention revolving loan fund	18,000
Soil erosion and sedimentation control training fund	17,600
Solid waste management fund - staff account.....	314,800
Stormwater permit fees	255,400
Wastewater operator training fees	32,100
Water analysis fees	141,300
Water use reporting fees.....	23,000
State general fund/general purpose	\$ 3,729,400
Sec. 103. OFFICE OF THE GREAT LAKES	
Full-time equated classified positions	12.0
Coastal management grants.....	\$ 1,250,000
Office of the Great Lakes—12.0 FTE positions.....	2,186,400
GROSS APPROPRIATION	\$ 3,436,400
Appropriated from:	
Federal revenues:	
Federal funds.....	2,043,600
Special revenue funds:	
Great Lakes protection fund.....	371,100
Settlement funds	113,700
State general fund/general purpose	\$ 908,000
Sec. 104. GREAT LAKES RESTORATION INITIATIVE	
Full-time equated classified positions	6.0
Great Lakes restoration initiative—6.0 FTE positions	\$ 15,095,600
GROSS APPROPRIATION	\$ 15,095,600
Appropriated from:	
Federal revenues:	
Federal funds.....	15,095,600
Special revenue funds:	
State general fund/general purpose	\$ 0
Sec. 105. OFFICE OF ENVIRONMENTAL ASSISTANCE	
Full-time equated classified positions	38.0
Office of environmental assistance—38.0 FTE positions	\$ 6,293,400
Pollution prevention local grants.....	250,000
GROSS APPROPRIATION	\$ 6,543,400
Appropriated from:	
Federal revenues:	
Federal funds.....	704,700
Special revenue funds:	
Private funds.....	364,200
Air emissions fees	138,500
Community pollution prevention fund	250,000
Environmental education fund.....	168,500
Environmental pollution prevention fund.....	1,507,300
Fees and collections	120,100
Settlement funds	262,900
Small business pollution prevention revolving loan fund	134,400
State general fund/general purpose	\$ 2,892,800
Sec. 106. WATER RESOURCES DIVISION	
Full-time equated classified positions	316.0
Aquatic nuisance control program—6.0 FTE positions	\$ 918,800
Contaminated lake and river sediment cleanup program	1,565,000
Expedited water/wastewater permits—1.0 FTE position.....	50,900
Federal - Great Lakes remedial action plan grants	583,800
Federal - nonpoint source water pollution grants.....	4,083,300

	For Fiscal Year Ending Sept. 30, 2018
Fish contaminant monitoring.....	316,100
Groundwater discharge permit program—22.0 FTE positions.....	3,214,800
Land and water interface permit programs—82.0 FTE positions	11,671,500
Nonpoint source pollution prevention and control project program	2,000,000
NPDES nonstormwater program—83.0 FTE positions	13,060,600
Program direction and project assistance—27.0 FTE positions.....	3,055,100
Real-time beach monitoring program.....	500,000
Surface water—86.0 FTE positions.....	15,557,000
Water quality and use initiative/general—5.0 FTE positions	1,645,700
Water quality protection grants	100,000
Water withdrawal assessment program—4.0 FTE positions	1,428,600
Wetland mitigation banking grants and loans	3,000,000
Wetlands program.....	1,000,000
GROSS APPROPRIATION	\$ 63,751,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from state transportation department.....	1,259,800
Federal revenues:	
Federal funds	20,268,800
Special revenue funds:	
Aquatic nuisance control fund.....	918,800
Clean Michigan initiative fund - clean water fund.....	3,417,100
Clean Michigan initiative fund - contaminated sediment.....	1,565,000
Clean Michigan initiative fund - nonpoint source.....	2,000,000
Environmental response fund	204,800
Groundwater discharge permit fees	1,457,300
Infrastructure construction fund	50,900
Land and water permit fees	2,313,200
NPDES fees.....	4,133,100
Refined petroleum fund.....	442,000
Sewage sludge land application fee.....	838,700
Soil erosion and sedimentation control training fund	139,300
Stormwater permit fees	2,681,000
Strategic water quality initiatives fund.....	3,000,000
Wastewater operator training fees	283,700
Water pollution control revolving fund	140,100
Water quality protection fund.....	100,000
Water use reporting fees	246,700
State general fund/general purpose	\$ 18,290,900
Sec. 107. LAW ENFORCEMENT	
Full-time equated classified positions	14.0
Environmental investigations—14.0 FTE positions	\$ 2,830,100
GROSS APPROPRIATION	\$ 2,830,100
Appropriated from:	
Federal revenues:	
Federal funds	575,600
Special revenue funds:	
Air emissions fees	57,200
Campground fund.....	2,100
Cleanup and redevelopment fund.....	188,200
Electronic waste recycling fund	1,600
Environmental pollution prevention fund.....	108,000
Environmental response fund	41,200
Fees and collections	4,100
Financial instruments.....	521,600
Great Lakes protection fund.....	1,500

	For Fiscal Year Ending Sept. 30, 2018
Groundwater discharge permit fees	18,800
Laboratory services fees	15,800
Land and water permit fees	78,300
Medical waste emergency response fund	2,400
Metallic mining surveillance fee revenue	700
Mineral well regulatory fee revenue	1,200
NPDES fees	32,300
Oil and gas regulatory fund	87,300
Orphan well fund	7,100
Public swimming pool fund	3,700
Public utility assessments	2,000
Public water supply fees	26,500
Refined petroleum fund	364,700
Sand extraction fee revenue	600
Scrap tire regulatory fund	29,400
Septage waste program fund	2,700
Sewage sludge land application fee	12,200
Small business pollution prevention revolving loan fund	2,600
Soil erosion and sedimentation control training fund	2,600
Solid waste management fund - staff account	41,700
Stormwater permit fees	17,500
Wastewater operator training fees	4,600
Water analysis fees	18,200
Water use reporting fees	3,100
State general fund/general purpose	\$ 553,000
Sec. 108. AIR QUALITY DIVISION	
Full-time equated classified positions	189.0
Air quality programs—189.0 FTE positions	\$ 27,132,400
GROSS APPROPRIATION	\$ 27,132,400
Appropriated from:	
Federal revenues:	
Federal funds	7,196,800
Special revenue funds:	
Air emissions fees	10,052,400
Fees and collections	205,300
Oil and gas regulatory fund	136,400
Public utility assessments	150,000
Refined petroleum fund	3,577,500
State general fund/general purpose	\$ 5,814,000
Sec. 109. RESOURCE MANAGEMENT DIVISION	
Full-time equated classified positions	305.0
Drinking water and environmental health—106.0 FTE positions	\$ 14,982,500
Drinking water program grants	830,000
Hazardous waste management program—45.0 FTE positions	6,506,900
Low-level radioactive waste authority—2.0 FTE positions	233,400
Medical waste program—2.0 FTE positions	303,500
Municipal assistance—29.0 FTE positions	4,818,800
Noncommunity water grants	1,905,700
Oil, gas, and mineral services—59.0 FTE positions	6,680,900
Radiological protection program—12.0 FTE positions	1,977,200
Recycling initiative—3.0 FTE positions	1,011,800
Scrap tire grants	3,500,000
Scrap tire regulatory program—10.0 FTE positions	1,343,700
Septage waste compliance grants	275,000
Solid waste management program—37.0 FTE positions	5,077,800

	For Fiscal Year Ending Sept. 30, 2018
Strategic water quality initiative grants and loans	62,000,000
Water state revolving funds	120,000,000
GROSS APPROPRIATION	\$ 231,447,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police	1,667,800
Federal revenues:	
Federal funds	116,450,300
Special revenue funds:	
Campground fund	294,100
Electronic waste recycling fund	305,800
Environmental pollution prevention fund	3,798,700
Fees and collections	34,500
Medical waste emergency response fund	303,500
Metallic mining surveillance fee revenue	92,500
Mineral well regulatory fee revenue	205,900
Nonferrous metallic mineral surveillance	357,800
Oil and gas regulatory fund	3,609,400
Orphan well fund	2,329,500
Public swimming pool fund	610,700
Public utility assessments	233,400
Public water supply fees	4,178,900
Refined petroleum fund	688,700
Revolving loan revenue bonds	15,000,000
Sand extraction fee revenue	85,800
Scrap tire regulatory fund	4,843,700
Septage waste contingency fund	3,400
Septage waste program fund	493,200
Solid waste management fund - staff account	4,586,900
Strategic water quality initiatives fund	63,196,000
Wastewater operator training fees	249,000
Water pollution control revolving fund	499,800
State general fund/general purpose	\$ 7,327,900
Sec. 110. REMEDIATION AND REDEVELOPMENT DIVISION	
Full-time equated classified positions	295.0
Contaminated site investigations, cleanup and revitalization—131.0 FTE positions	\$ 15,097,800
Emergency cleanup actions	3,000,000
Environmental cleanup and redevelopment program	15,000,000
Environmental cleanup support	1,840,000
Federal cleanup project management—40.0 FTE positions	6,986,500
Laboratory services—39.0 FTE positions	6,328,000
Refined petroleum product cleanup program—85.0 FTE positions	34,491,100
Superfund cleanup	1,000,000
GROSS APPROPRIATION	\$ 83,743,400
Appropriated from:	
Federal revenues:	
Federal funds	6,354,900
Special revenue funds:	
Private funds	191,100
Cleanup and redevelopment fund	17,086,300
Environmental protection fund	2,040,400
Environmental response fund	2,839,500
Laboratory services fees	4,002,000
Landfill maintenance trust fund	31,000
Public water supply fees	310,500
Refined petroleum fund	32,457,100

	For Fiscal Year Ending Sept. 30, 2018
Revitalization revolving loan fund	103,100
Strategic water quality initiatives fund.....	15,000,000
Water analysis fees	2,015,500
State general fund/general purpose	\$ 1,312,000
Sec. 111. UNDERGROUND STORAGE TANK AUTHORITY	
Full-time equated classified positions	5.0
Underground storage tank cleanup program—5.0 FTE positions	\$ 20,016,800
GROSS APPROPRIATION	\$ 20,016,800
Appropriated from:	
Special revenue funds:	
Underground storage tank cleanup fund.....	20,016,800
State general fund/general purpose	\$ 0
Sec. 112. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 8,986,900
GROSS APPROPRIATION	\$ 8,986,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police	25,800
IDG from state transportation department.....	86,100
Federal revenues:	
Federal funds	1,324,700
Special revenue funds:	
Air emission fees.....	666,400
Campground fund.....	8,400
Cleanup and redevelopment fund.....	792,200
Electronic waste recycling fund	6,500
Environmental pollution prevention fund.....	459,400
Environmental protection fund	87,400
Environmental response fund	165,600
Financial instruments.....	1,635,500
Great Lakes protection fund.....	6,100
Groundwater discharge permit fees	76,700
Laboratory services fees	64,800
Land and water permit fees	265,700
Medical waste emergency response fund	10,000
Metallic mining surveillance fee revenue.....	2,700
Mineral well regulatory fee revenue.....	4,900
Nonferrous metallic mineral surveillance.....	300
NPDES fees.....	141,000
Oil and gas regulatory fund.....	326,600
Orphan well fund.....	29,500
Public swimming pool fund	15,100
Public utility assessments.....	7,900
Public water supply fees.....	148,000
Refined petroleum fund.....	1,685,400
Sand extraction fee revenue.....	2,300
Scrap tire regulatory fund.....	64,300
Septage waste program fund	11,300
Sewage sludge land application fee.....	22,900
Small business pollution prevention revolving loan fund	10,700
Soil erosion and sedimentation control training fund	10,400
Solid waste management fund - staff account.....	171,200
Stormwater permit fees	70,900
Wastewater operator training fees	19,200
Water analysis fees	74,300
Water pollution control revolving fund	7,400

	For Fiscal Year Ending Sept. 30, 2018
Water use reporting fees	13,300
State general fund/general purpose	\$ 466,000
Sec. 113. ONE-TIME APPROPRIATIONS	
Drill core storage facility	\$ 500,000
Drinking water declaration of emergency	100
Oil, gas, and mineral services (one-time).....	4,000,000
Refined petroleum product cleanup program	14,900,000
GROSS APPROPRIATION	\$ 19,400,100
Appropriated from:	
Special revenue funds:	
Drinking water declaration of emergency reserve fund	100
Refined petroleum fund.....	14,900,000
State general fund/general purpose	\$ 4,500,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$330,619,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$4,531,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Drinking water program grants	\$ 600,000
Emergency cleanup actions.	106,000
Noncommunity water grants.....	1,800,000
Scrap tire grants.	500,000
Pollution prevention local grants.....	250,000
Real-time beach monitoring program.....	500,000
Septage waste compliance grants.	100,000
Recycling initiative.....	450,000
Medical waste program.	65,000
Surface water.	160,000
TOTAL.....	\$ 4,531,000

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

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

- (a) "Department" means the department of environmental quality.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "NPDES" means national pollution discharge elimination system.

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

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

Sec. 206. The director 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. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of 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 house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total 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.

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 part 1 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 part 1 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 \$500,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are \$32,219,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$16,580,100.00. Total agency appropriations for retiree health care legacy costs are estimated at \$15,638,900.00.

Sec. 216. (1) The department shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

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

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

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

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

- (e) The amount of the allocation, or the anticipated financing for the site.
- (f) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.
- (g) The number of brownfield projects that were successfully redeveloped.
- (2) The report prepared under subsection (1) shall also include all of the following:
 - (a) The status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.
 - (b) The report shall include the total amount of funds expended during the fiscal year and the total amount of funds awaiting expenditure.
 - (c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.
- (3) The report shall be made available by March 31 of each year.

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

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

(3) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

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

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate 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.

(2) As used in this section:

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

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

Sec. 235. The department shall prepare an annual report to the legislature by January 1, 2018 that details all of the following for each of the allocations from the clean Michigan initiative bond fund as described in section 19607(1)(a) to (i) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607:

- (a) The progress of projects funded in each category.
- (b) The current cost to date of all projects funded in each category.
- (c) The estimated remaining cost of all projects funded in each category.
- (d) The remaining balance of money in the fund allocated for each category.
- (e) The total debt obligation on all clean Michigan initiative bonds and the length of time remaining until full bond repayment is achieved.

Sec. 236. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the following:

- (a) The names and locations of entities receiving funds.
- (b) The purpose for each expenditure.
- (c) The status of programs supported by this funding.

(d) A brief description of how related problems have been or will be resolved if expenditures are made for immediate response.

(e) The job titles and number of departmental FTEs engaged in the Flint declaration of emergency response effort.

Sec. 237. From the funds appropriated in part 1, the department shall be responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the department employees named as a party in any state or federal lawsuits or investigations related to the city of Flint municipal water system.

REMEDIATION DIVISION

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

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

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

(b) The projects will be accomplished by contract.

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

(d) The tentative completion date is September 30, 2022.

Sec. 303. Effective October 1, 2017, surplus funds not to exceed \$1,000,000.00 in the cleanup and redevelopment trust fund are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 304. Effective October 1, 2017, surplus funds not to exceed \$1,000,000.00 in the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

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

Sec. 306. (1) Subject to section 314, the funds appropriated in part 1 for the refined petroleum cleanup program shall be used to fund corrective actions performed by the department pursuant to section 21320 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21320.

(2) By November 1, the department shall provide a report to the house and senate subcommittees on environmental quality and the state budget director on the refined petroleum product cleanup program containing the following information:

(a) A list of sites the department intends to work on during the current fiscal year, including the fiscal year the project began.

(b) A list of sites at which the department performed corrective actions during the previous fiscal year.

(c) A list of sites the department closed during the previous fiscal year.

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

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

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

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

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

Sec. 314. (1) From the funds appropriated in part 1 from the refined petroleum fund for the refined petroleum product cleanup program, the department shall expend an amount not to exceed \$36,000,000.00 for reimbursements to owners and operators of underground storage tank systems that have performed corrective actions but do not qualify for reimbursement under section 21510 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21510, due to the date the release was discovered and reported.

(2) As used in this section:

(a) "Corrective action" means that term as defined in section 21302 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21302.

(b) "Operator", "owner", and "underground storage tank system" mean those terms as defined in section 21303 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21303.

WATER RESOURCES DIVISION

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720,

then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

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

- (a) The purpose of the projects to be carried forward is to provide contaminated sediment cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is \$1,565,000.00.
- (d) The tentative completion date is September 30, 2022.

Sec. 410. From the funds appropriated in part 1, the department shall compile a report on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

- (a) An estimated cost of removal of total phosphorus per pound at the 4 major wastewater treatment plants.
- (b) A description of the grants that have been awarded.
- (c) A description of the work that has commenced on the issue of dissolved reactive phosphorus, the expected objectives and outcomes of that work, and a list of the parties involved in that effort.
- (d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

Sec. 411. For the state fiscal year ending September 30, 2018, there is appropriated from the clean Michigan initiative bond fund \$150,000.00 of revenues allocated for remediation of contaminated lake and river sediments under sections 19607 and 19608 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607 and 324.19608, for an engineering study pertaining to the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund site. This study may be conducted under contract by a private engineering firm.

RESOURCE MANAGEMENT DIVISION

Sec. 603. From the funds appropriated in part 1, by December 31, 2017, the department shall compile and make available to the public on a publicly accessible website a report containing a summary document of each completed asset management plan for any stormwater, asset management, or wastewater grant awarded to a local unit of government to fund the development of a plan. As a condition of receiving a stormwater, asset management, or wastewater grant, a local unit of government shall make its asset management plan available to the department upon request when completed and shall retain copies of the plan that can be made available to the public for a minimum of 15 years. The department shall make available a summary document of each plan on a publicly accessible website by September 30 of the year it was completed. The summary document shall include a summary of the plan and contact information for the local unit of government.

UNDERGROUND STORAGE TANK AUTHORITY

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

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is \$20,000,000.00.
- (d) The tentative completion date is September 30, 2022.

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

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Mary Whiteford
Scott VanSingel
Conferees for the House

Mike Green
Peter MacGregor
Conferees for the Senate

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning
House Bill No. 4237, entitled

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	2,261.8	
GROSS APPROPRIATION		\$ 404,469,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION		\$ 404,237,500
Federal revenues:		
Total federal revenues.....		70,095,700
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		7,446,000
Total other state restricted revenues		274,248,500
State general fund/general purpose		\$ 52,447,300

FUND SOURCE SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	2,261.8	
GROSS APPROPRIATION		\$ 404,469,700
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders.....		232,200
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION		\$ 404,237,500
Federal revenues:		
Federal funds		70,095,700
Total federal revenues.....		70,095,700
Special revenue funds:		
Private funds.....		7,431,000
Private - Mann house trust fund.....		15,000
Total private revenues.....		7,446,000
Cervidae licensing and inspection fees		138,800
Clean Michigan initiative fund.....		100
Commercial forest fund.....		26,600
Deer habitat reserve.....		2,136,700
Fire equipment fund		668,700
Fisheries settlement		629,200
Forest development fund		38,543,200
Forest land user charges		253,100
Forest recreation account.....		1,836,300
Game and fish protection fund.....		74,294,000
Invasive species fund.....		100
Land exchange facilitation fund.....		5,009,100
Local public recreation facilities fund.....		1,697,000
Mackinac Island State Park fund.....		1,583,700
Mackinac Island State Park operation fund.....		127,700
MacMullan conference center account.....		1,156,000
Marine safety fund		3,738,800
Michigan heritage publications fund.....		22,300

	For Fiscal Year Ending Sept. 30, 2018
Michigan historical center operations fund	742,200
Michigan natural resources trust fund	1,306,900
Michigan state parks endowment fund	26,576,100
Michigan state waterways fund	27,850,200
Michigan trailways fund	200
Nongame wildlife fund	482,100
Off-road vehicle safety education fund	203,600
Off-road vehicle trail improvement fund	7,078,900
Park improvement fund	49,598,600
Park improvement fund - Belle Isle subaccount	800,200
Permanent snowmobile trail easement fund	700,000
Public use and replacement deed fees	27,600
Recreation improvement account	1,532,300
Recreation passport fees	8,296,200
Snowmobile registration fee revenue	1,197,600
Snowmobile trail improvement fund	9,934,100
Sportsmen against hunger fund	77,500
Turkey permit fees	1,017,400
Waterfowl fees	120,800
Waterfowl hunt stamp	1,500,000
Wildlife management public education fund	2,100,000
Wildlife resource protection fund	1,147,100
Youth hunting and fishing education and outreach fund	97,500
Total other state restricted revenues	274,248,500
State general fund/general purpose	\$ 52,447,300
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	121.1
Unclassified salaries—6.0 FTE positions	\$ 776,700
Accounting service center	1,489,000
Executive direction—11.6 FTE positions	2,136,400
Finance and operations—105.5 FTE positions	16,581,800
Gifts and pass-through transactions	5,000,000
Legal services—4.0 FTE positions	550,500
Natural resources commission	77,100
Property management	3,711,000
GROSS APPROPRIATION	\$ 30,322,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG, land acquisition services-to-work orders	232,200
Federal revenues:	
Federal funds	340,700
Special revenue funds:	
Private funds	5,000,000
Clean Michigan initiative fund	100
Deer habitat reserve	158,000
Forest development fund	2,811,400
Forest land user charges	7,300
Forest recreation account	52,300
Game and fish protection fund	7,072,100
Land exchange facilitation fund	4,932,500
Local public recreation facilities fund	197,000
Marine safety fund	792,800
Michigan natural resources trust fund	1,284,600
Michigan state parks endowment fund	1,300,800
Michigan state waterways fund	777,300

	For Fiscal Year Ending Sept. 30, 2018
Nongame wildlife fund.....	13,500
Off-road vehicle safety education fund.....	700
Off-road vehicle trail improvement fund.....	170,200
Park improvement fund.....	1,765,800
Public use and replacement deed fees.....	27,600
Recreation improvement account.....	84,300
Snowmobile registration fee revenue.....	49,300
Snowmobile trail improvement fund.....	125,100
Sportsmen against hunger fund.....	500
Turkey permit fees.....	78,200
Waterfowl fees.....	3,400
Wildlife resource protection fund.....	41,900
State general fund/general purpose.....	\$ 3,002,900
Sec. 103. DEPARTMENT INITIATIVES	
Full-time equated classified positions.....	16.0
Great Lakes restoration initiative.....	\$ 2,922,000
Invasive species prevention and control—16.0 FTE positions.....	5,031,700
Michigan conservation corps.....	1,000,000
GROSS APPROPRIATION.....	\$ 8,953,700
Appropriated from:	
Special revenue funds:	
Federal funds.....	2,922,000
State general fund/general purpose.....	\$ 6,031,700
Sec. 104. COMMUNICATION AND CUSTOMER SERVICES	
Full-time equated classified positions.....	135.3
Marketing and outreach—80.8 FTE positions.....	\$ 13,738,800
Michigan historical center—54.5 FTE positions.....	6,013,600
Michigan wildlife council.....	2,100,000
GROSS APPROPRIATION.....	\$ 21,852,400
Appropriated from:	
Federal revenues:	
Federal funds.....	1,558,300
Special revenue funds:	
Private funds.....	396,200
Private - Mann house trust fund.....	15,000
Forest development fund.....	133,400
Forest recreation account.....	16,400
Game and fish protection fund.....	8,327,000
Land exchange facilitation fund.....	46,000
Marine safety fund.....	36,000
Michigan heritage publications fund.....	22,300
Michigan historical center operations fund.....	742,200
Michigan state parks endowment fund.....	89,500
Michigan state waterways fund.....	147,600
Nongame wildlife fund.....	10,700
Off-road vehicle trail improvement fund.....	31,200
Park improvement fund.....	2,811,200
Recreation passport fees.....	23,800
Snowmobile registration fee revenue.....	19,400
Snowmobile trail improvement fund.....	45,600
Sportsmen against hunger fund.....	76,400
Wildlife management public education fund.....	2,100,000
Youth hunting and fishing education and outreach fund.....	95,500
State general fund/general purpose.....	\$ 5,108,700

For Fiscal Year
Ending Sept. 30,
2018

Sec. 105. WILDLIFE DIVISION

Full-time equated classified positions	227.5	
Natural resources heritage—9.0 FTE positions.....		\$ 631,300
Wildlife management—218.5 FTE positions		41,932,700
GROSS APPROPRIATION		<u>\$ 42,564,000</u>
Appropriated from:		
Federal revenues:		
Federal funds		25,158,800
Special revenue funds:		
Private funds.....		315,700
Cervidae licensing and inspection fees		85,400
Deer habitat reserve.....		1,717,100
Forest development fund		77,600
Game and fish protection fund.....		11,937,300
Nongame wildlife fund.....		427,400
Turkey permit fees.....		905,400
Waterfowl fees.....		114,100
State general fund/general purpose		<u>\$ 1,825,200</u>

Sec. 106. FISHERIES DIVISION

Full-time equated classified positions	222.5	
Aquatic resource mitigation—2.0 FTE positions		\$ 629,300
Cormorant population mitigation program.....		150,000
Fish production—63.0 FTE positions		10,242,000
Fisheries resource management—157.5 FTE positions.....		20,639,100
GROSS APPROPRIATION		<u>\$ 31,660,400</u>
Appropriated from:		
Federal revenues:		
Federal funds		11,292,000
Special revenue funds:		
Private funds.....		136,200
Fisheries settlement		629,200
Game and fish protection fund.....		19,083,700
Invasive species fund.....		100
State general fund/general purpose		<u>\$ 519,200</u>

Sec. 107. LAW ENFORCEMENT

Full-time equated classified positions	284.0	
General law enforcement—284.0 FTE positions		\$ 42,435,200
GROSS APPROPRIATION		<u>\$ 42,435,200</u>
Appropriated from:		
Federal revenues:		
Federal funds		6,510,900
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account.....		72,800
Game and fish protection fund.....		19,444,800
Marine safety fund		1,342,300
Michigan state parks endowment fund.....		71,400
Michigan state waterways fund.....		21,700
Off-road vehicle safety education fund.....		156,100
Off-road vehicle trail improvement fund.....		1,692,800
Park improvement fund		72,800
Snowmobile registration fee revenue		721,400
Wildlife resource protection fund.....		1,063,100
State general fund/general purpose		<u>\$ 11,166,300</u>

For Fiscal Year
Ending Sept. 30,
2018

Sec. 108. PARKS AND RECREATION DIVISION

Full-time equated classified positions	911.9	
Forest recreation and trails—53.0 FTE positions.....		\$ 6,172,400
MacMullan conference center—15.0 FTE positions.....		1,156,000
Recreational boating—170.5 FTE positions.....		19,011,000
State parks—673.4 FTE positions.....		67,144,900
State park improvement revenue bonds - debt service.....		1,191,000
GROSS APPROPRIATION		<u>\$ 94,675,300</u>
Appropriated from:		
Federal revenues:		
Federal funds		1,761,200
Special revenue funds:		
Private funds.....		428,000
Forest recreation account.....		1,652,800
MacMullan conference center account.....		1,156,000
Michigan state parks endowment fund.....		21,103,200
Michigan state waterways fund.....		17,868,000
Michigan trailways fund.....		100
Off-road vehicle safety education fund.....		7,200
Off-road vehicle trail improvement fund.....		1,456,700
Park improvement fund		43,590,500
Park improvement fund - Belle Isle subaccount		800,200
Recreation improvement account		492,000
Recreation passport fees.....		272,400
Snowmobile registration fee revenue		15,800
Snowmobile trail improvement fund.....		1,598,600
State general fund/general purpose		<u>\$ 2,472,600</u>

Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION

Full-time equated classified positions	17.0	
Historical facilities system—13.0 FTE positions.....		\$ 1,583,700
Mackinac Island State Park operations—4.0 FTE positions		<u>333,600</u>
GROSS APPROPRIATION		<u>\$ 1,917,300</u>
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund.....		1,583,700
Mackinac Island State Park operation fund.....		127,700
State general fund/general purpose		<u>\$ 205,900</u>

Sec. 110. FOREST RESOURCES DIVISION

Full-time equated classified positions	326.5	
Adopt-a-forest program		\$ 25,000
Cooperative resource programs—11.0 FTE positions.....		1,551,400
Forest fire equipment.....		931,500
Forest management and timber market development—176.0 FTE positions.....		31,344,000
Forest management initiatives—8.5 FTE positions.....		859,900
Minerals management—17.0 FTE positions		2,840,300
Wildfire protection—114.0 FTE positions		<u>13,827,400</u>
GROSS APPROPRIATION		<u>\$ 51,379,500</u>
Appropriated from:		
Federal revenues:		
Federal funds		4,292,500
Special revenue funds:		
Private funds.....		1,054,900
Commercial forest fund.....		24,500
Fire equipment fund		668,700
Forest development fund		32,865,700
Forest land user charges		221,900

	For Fiscal Year Ending Sept. 30, 2018
Game and fish protection fund.....	1,937,700
Michigan state parks endowment fund.....	2,670,200
Michigan state waterways fund.....	51,400
State general fund/general purpose	\$ 7,592,000
Sec. 111. GRANTS	
Dam management grant program	\$ 350,000
Deer habitat improvement partnership initiative	200,000
Federal - clean vessel act grants	400,000
Federal - forest stewardship grants.....	2,000,000
Federal - land and water conservation fund payments.....	2,566,900
Federal - rural community fire protection.....	400,000
Federal - urban forestry grants	900,000
Fisheries habitat improvement grants.....	1,250,000
Grants to communities - federal oil, gas, and timber payments	3,450,000
Grants to counties - marine safety	3,074,700
National recreational trails	3,900,000
Nonmotorized trail development and maintenance grants.....	350,000
Off-road vehicle safety training grants.....	29,200
Off-road vehicle trail improvement grants	3,706,200
Recreation improvement fund grants.....	907,100
Recreation passport local grants.....	1,500,000
Snowmobile law enforcement grants.....	380,100
Snowmobile local grants program.....	8,090,400
Trail easements	700,000
Wildlife habitat improvement grants	1,500,000
GROSS APPROPRIATION	\$ 35,654,600
Appropriated from:	
Federal revenues:	
Federal funds	15,184,300
Special revenue funds:	
Private funds.....	100,000
Deer habitat reserve.....	200,000
Game and fish protection fund.....	2,750,000
Local public recreation facilities fund.....	1,500,000
Marine safety fund	1,407,300
Off-road vehicle safety education fund	29,200
Off-road vehicle trail improvement fund.....	3,706,200
Permanent snowmobile trail easement fund.....	700,000
Recreation improvement account	907,100
Snowmobile registration fee revenue	380,100
Snowmobile trail improvement fund.....	8,090,400
State general fund/general purpose	\$ 700,000
Sec. 112. INFORMATION TECHNOLOGY	
Information technology services and projects.....	\$ 10,327,400
GROSS APPROPRIATION	\$ 10,327,400
Appropriated from:	
Special revenue funds:	
Commercial forest fund.....	2,100
Deer habitat reserve.....	61,600
Forest development fund	1,609,700
Forest land user charges	23,900
Forest recreation account.....	42,000
Game and fish protection fund.....	3,741,400
Land exchange facilitation fund.....	30,600
Marine safety fund	160,400
Michigan natural resources trust fund.....	22,300

	For Fiscal Year Ending Sept. 30, 2018
Michigan state parks endowment fund.....	1,341,000
Michigan state waterways fund.....	484,200
Michigan trailways fund.....	100
Nongame wildlife fund.....	30,500
Off-road vehicle safety education fund.....	10,400
Off-road vehicle trail improvement fund.....	21,800
Park improvement fund.....	1,358,300
Recreation improvement account.....	48,900
Snowmobile registration fee revenue.....	11,600
Snowmobile trail improvement fund.....	74,400
Sportsmen against hunger fund.....	600
Turkey permit fees.....	33,800
Waterfowl fees.....	3,300
Wildlife resource protection fund.....	42,100
Youth hunting and fishing education and outreach.....	2,000
State general fund/general purpose.....	\$ 1,170,400
Sec. 113. CAPITAL OUTLAY	
(a) RECREATIONAL LANDS AND INFRASTRUCTURE	
State parks repair and maintenance.....	\$ 9,500,000
Wetlands restoration, enhancement, and acquisition.....	1,500,000
GROSS APPROPRIATION.....	\$ 11,000,000
Appropriated from:	
Special revenue funds:	
Recreation passport fees.....	8,000,000
Waterfowl hunt stamp.....	1,500,000
State general fund/general purpose.....	\$ 1,500,000
(b) WATERWAYS BOATING PROGRAM	
State harbors and boating access sites:	
East Tawas state harbor, Iosco County, harbor renovation, dock replacements, dredging, fueling station, new electrical/utilities, phase III (total authorized cost is increased from \$4,420,000 to \$5,920,000; federal share is \$1,650,000; state share is increased from \$2,770,000 to \$4,270,000).....	\$ 1,500,000
Local boating infrastructure maintenance and improvements.....	2,500,000
State boating infrastructure maintenance.....	5,575,000
GROSS APPROPRIATION.....	\$ 9,575,000
Appropriated from:	
Federal revenues:	
Federal funds.....	1,075,000
Special revenue funds:	
Michigan state waterways fund.....	8,500,000
State general fund/general purpose.....	\$ 0
Sec. 114. ONE-TIME APPROPRIATIONS	
Bay City state recreation area, playscape reconstruction.....	\$ 500,000
Invasive species (one-time).....	200,000
Land ownership tracking system.....	2,900,000
Mineral extraction summit.....	50,000
Off-road vehicle trail improvement grants (one-time).....	176,200
Onaway State Park, pavilion reconstruction.....	500,000
Shooting range construction, repair, and maintenance.....	250,000
Snowmobile law enforcement grants (one-time).....	100,000
Snowmobile local grants program (one-time).....	226,200
State parks repair and maintenance.....	4,000,000
Swimmer's itch pilot program.....	250,000
Trail development.....	2,000,000
Wildlife management.....	1,000,000
GROSS APPROPRIATION.....	\$ 12,152,400

For Fiscal Year
Ending Sept. 30,
2018

Appropriated from:	
Special revenue funds:	
Forest development fund	1,000,000
State general fund/general purpose	\$ 11,152,400

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$326,695,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$7,254,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES
GRANTS

Dam management grant program	\$ 175,000
Fisheries habitat improvement grants.....	125,000
Grants to counties - marine safety	1,407,300
Nonmotorized trail development and maintenance grants.....	262,500
Off-road vehicle safety training grants.....	29,200
Off-road vehicle trail improvement grants	534,500
Recreation improvement fund grants.....	90,700
Recreation passport local grants.....	1,500,000
Snowmobile law enforcement grants.....	480,100
Wildlife habitat improvement grants	150,000
Local boating infrastructure maintenance and improvements.....	2,500,000
TOTAL.....	\$ 7,254,300

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

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

- (a) "Department" means the department of natural resources.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.

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

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

Sec. 206. The director 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. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of 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 appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The total 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.

Sec. 208. Funds appropriated in this part and 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 outside services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 part 1 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 \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are \$44,255,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$22,774,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,481,400.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	\$	31,300
Attorney general		756,300
Department of technology, management, and budget		492,500
Department of treasury		3,013,100

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2018.

Sec. 218. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

Sec. 252. A minimum of 25% of the amount expended from the funds appropriated in part 1 for the Michigan conservation corps must be expended on youth in economically depressed counties north of the Mason-Arenac line, as defined in section 503 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2018, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 404. For the purposes of administering the museum store as provided in section 6 of 2016 PA 470, MCL 399.806, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 405. As appropriated in part 1, proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 406. As appropriated in part 1, funds collected by the department for historical markers; document reproduction and services; conferences, admissions, workshops, and training classes; and the use of specialized equipment, facilities, exhibits, collections, and software shall be used for expenses necessary to provide the required services. The department may charge fees for the aforementioned services, including admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 408. By October 21, 2017, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2017. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 503. From the funds appropriated in part 1, the department shall produce a report detailing any efforts undertaken to enforce the invasive species order on swine raised under the husbandry of residents of this state. The report shall include fund sources used and the amount of expenditures and shall be submitted to the legislature by December 31, 2017.

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall provide an annual report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States Department of Agriculture Animal and Plant Health Inspection Service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvest to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports by 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1, 2017, of the expenditures under this section during the fiscal year ending September 30, 2017.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

Sec. 808. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall increase the harvest of timber on state forestlands. The purpose of this program expansion is to expand the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as increasing the number of acres prepared for timber sale.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1, 2017. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

Sec. 903. From the increased funds appropriated in part 1 for conservation officers, the department shall hire, train, and outfit 10 detectives or specialists, or both, as well as 2 support staff. The primary purpose of the new staff is to conduct long-term surveillance and covert investigations to combat illegal activities and enforce regulations.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, 2017, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2017.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. (1) The appropriation in part 1 for the swimmer's itch pilot program shall be distributed to a Michigan-based nonprofit organization for the purpose of pursuing comprehensive, science-based swimmer's itch mitigation and research

by appropriately qualified subject matter experts. This appropriation may be used to reimburse costs incurred before the effective date of this act, and may be carried forward as a work project in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) By January 1 the department must submit a report to the House and Senate appropriations subcommittees on natural resources detailing data collected, program plan, and effectiveness measures of the swimmer’s itch pilot program.

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

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Sue Allor
 Roger Victory
 Conferees for the House

Mike Green
 Darwin L. Booher
 Conferees for the Senate

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning
House Bill No. 4238, entitled

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	15,421.5	
Average population	770.0	
GROSS APPROPRIATION		\$ 25,358,159,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	13,640,900	
ADJUSTED GROSS APPROPRIATION		\$ 25,344,518,500
Federal revenues:		
Social security act, temporary assistance for needy families.....	551,915,400	
Capped federal revenues.....	600,587,900	
Total other federal revenues	17,165,133,400	
Special revenue funds:		
Total local revenues.....	116,545,300	
Total private revenues.....	149,875,700	
Michigan merit award trust fund.....	49,068,700	
Total other state restricted revenues	2,394,050,200	
State general fund/general purpose		\$ 4,317,341,900

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	742.1	
Unclassified salaries—6.0 FTE positions.....		\$ 1,153,000

	For Fiscal Year Ending Sept. 30, 2018
Administrative hearings officers.....	11,219,700
Demonstration projects—7.0 FTE positions	7,355,100
Departmental administration and management—548.1 FTE positions	86,434,400
Developmental disabilities council and projects—10.0 FTE positions	3,073,700
Merger savings	(3,052,500)
Office of inspector general—177.0 FTE positions.....	21,892,200
Property management.....	64,339,500
Terminal leave payments	5,686,100
Worker's compensation.....	7,502,800
GROSS APPROPRIATION	\$ 205,604,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	1,919,500
Federal revenues:	
Social security act, temporary assistance for needy families.....	22,973,500
Capped federal revenues.....	20,349,200
Total other federal revenues	63,821,200
Special revenue funds:	
Total local revenues	16,400
Total private revenues.....	3,843,200
Total other state restricted revenues	841,400
State general fund/general purpose	\$ 91,839,600
Sec. 103. CHILD SUPPORT ENFORCEMENT	
Full-time equated classified positions	185.7
Child support enforcement operations—179.7 FTE positions	\$ 22,312,200
Child support incentive payments	24,409,600
Legal support contracts	113,607,100
State disbursement unit—6.0 FTE positions	8,112,800
GROSS APPROPRIATION	\$ 168,441,700
Appropriated from:	
Federal revenues:	
Capped federal revenues.....	1,735,000
Total other federal revenues	142,644,500
State general fund/general purpose	\$ 24,062,200
Sec. 104. COMMUNITY SERVICES AND OUTREACH	
Full-time equated classified positions	74.6
Bureau of community services and outreach—20.0 FTE positions	\$ 2,529,300
Child advocacy centers—0.5 FTE position.....	1,500,000
Community services and outreach administration—11.0 FTE positions	1,465,000
Community services block grant.....	25,840,000
Crime victim grants administration services—13.0 FTE positions.....	2,177,100
Crime victim justice assistance grants	59,279,300
Crime victim rights services grants.....	16,870,000
Domestic violence prevention and treatment—14.6 FTE positions	15,817,200
Homeless programs	19,466,700
Housing and support services.....	13,031,000
Michigan community service commission—15.0 FTE positions.....	11,628,700
Rape prevention and services—0.5 FTE position	5,097,300
School success partnership program	450,000
Weatherization assistance	16,340,000
GROSS APPROPRIATION	\$ 191,491,600
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families.....	13,188,400
Capped federal revenues.....	66,676,300
Total other federal revenues	75,829,400

For Fiscal Year
Ending Sept. 30,
2018

Special revenue funds:	
Private - collections	44,100
Compulsive gambling prevention fund.....	1,040,500
Sexual assault victims' prevention and treatment fund.....	3,000,000
Child advocacy centers fund	1,500,000
Crime victim's rights fund	15,337,000
State general fund/general purpose	\$ 14,875,900
Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
Full-time equated classified positions	3,844.2
Adoption subsidies	\$ 210,409,600
Adoption support services—10.0 FTE positions.....	27,283,500
Attorney general contract	4,366,500
Child abuse and neglect - children's justice act—1.0 FTE position	622,600
Child care fund.....	192,526,200
Child protection.....	800,300
Child welfare administration travel	375,000
Child welfare field staff - caseload compliance—2,461.0 FTE positions.....	229,613,400
Child welfare field staff - noncaseload compliance—330.0 FTE positions.....	34,559,000
Child welfare first line supervisors—578.0 FTE positions	72,890,500
Child welfare institute—45.0 FTE positions	8,203,600
Child welfare licensing—59.0 FTE positions	6,914,000
Child welfare medical/psychiatric evaluations	10,435,500
Children's services administration—172.2 FTE positions	20,075,100
Children's trust fund—12.0 FTE positions	3,327,700
Contractual services, supplies, and materials	9,300,000
Education planners—15.0 FTE positions	1,530,100
Family preservation and prevention services administration—9.0 FTE positions	1,299,300
Family preservation programs—13.0 FTE positions.....	38,877,000
Family support subsidy	16,951,400
Foster care payments.....	198,388,100
Guardianship assistance program	11,505,400
Interstate compact.....	179,600
Peer coaches—45.5 FTE positions.....	5,737,300
Performance based funding implementation—3.0 FTE positions	1,444,800
Permanency resource managers—28.0 FTE positions	3,197,900
Prosecuting attorney contracts.....	3,879,500
Psychotropic oversight.....	618,200
Second line supervisors and technical staff—54.0 FTE positions	8,912,000
Settlement monitor	1,885,800
Strong families/safe children	12,350,100
Title IV-E compliance and accountability office—4.0 FTE positions.....	424,700
Youth in transition—4.5 FTE positions.....	15,306,300
GROSS APPROPRIATION	\$ 1,154,190,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	90,200
Federal revenues:	
Social security act, temporary assistance for needy families.....	348,865,400
Capped federal revenues.....	112,020,100
Total other federal revenues	246,344,900
Special revenue funds:	
Private - collections	2,929,800
Local funds - county chargeback	14,244,900
Children's trust fund.....	2,091,900
State general fund/general purpose	\$ 427,602,800

For Fiscal Year
Ending Sept. 30,
2018

Sec. 106. CHILDREN’S SERVICES AGENCY - JUVENILE JUSTICE

Full-time equated classified positions	120.5	
Bay Pines Center—47.0 FTE positions.....		\$ 5,468,900
Committee on juvenile justice administration—2.5 FTE positions.....		351,400
Committee on juvenile justice grants		3,000,000
Community support services—3.0 FTE positions		2,116,600
County juvenile officers		3,904,300
Juvenile justice, administration and maintenance—21.0 FTE positions		3,739,300
Shawono Center—47.0 FTE positions		5,565,400
W.J. Maxey Training School		250,000
GROSS APPROPRIATION		\$ 24,395,900
Appropriated from:		
Federal revenues:		
Capped federal revenues.....		8,330,600
Special revenue funds:		
Local funds - state share education funds.....		1,339,000
Local funds - county chargeback		5,037,000
State general fund/general purpose		\$ 9,689,300

Sec. 107. PUBLIC ASSISTANCE

Full-time equated classified positions	8.0	
Emergency services local office allocations.....		\$ 9,357,500
Family independence program		82,350,800
Food assistance program benefits.....		2,348,117,400
Food Bank Council of Michigan.....		2,045,000
Indigent burial		4,375,000
Low-income home energy assistance program.....		181,718,400
Michigan corner store initiative.....		100
Michigan energy assistance program—1.0 FTE position.....		50,000,000
Multicultural integration funding		15,303,800
Refugee assistance program—7.0 FTE positions		27,993,400
State disability assistance payments.....		9,360,100
State supplementation.....		60,489,100
State supplementation administration.....		2,381,100
GROSS APPROPRIATION		\$ 2,793,491,700
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families.....		70,526,700
Capped federal revenues.....		209,896,300
Total other federal revenues		2,342,627,400
Special revenue funds:		
Child support collections.....		10,979,000
Supplemental security income recoveries.....		4,142,700
Public assistance recoupment revenue.....		6,290,000
Low-income energy assistance fund.....		50,000,000
State general fund/general purpose		\$ 99,029,600

Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES

Full-time equated classified positions	6,287.5	
Administrative support workers—221.0 FTE positions		\$ 12,872,400
Adult services field staff—460.0 FTE positions		49,365,200
Contractual services, supplies, and materials		16,352,500
Donated funds positions—288.0 FTE positions.....		32,702,700
Elder Law of Michigan MiCAFE contract.....		350,000
Electronic benefit transfer (EBT).....		8,509,000
Employment and training support services		4,219,100
Field policy and administration—66.0 FTE positions.....		11,103,600
Field staff travel		8,103,900

	For Fiscal Year Ending Sept. 30, 2018
Independent living.....	12,031,600
Medical/psychiatric evaluations.....	1,420,100
Michigan rehabilitation services—526.0 FTE positions	128,750,800
Nutrition education—2.0 FTE positions.....	33,045,300
Public assistance field staff—4,704.5 FTE positions	478,474,200
SSI advocacy legal services.....	250,000
Training and program support—20.0 FTE positions.....	2,448,000
Volunteer services and reimbursement	942,400
GROSS APPROPRIATION	\$ 800,940,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections.....	116,000
IDG from department of education	7,769,500
Federal revenues:	
Social security act, temporary assistance for needy families.....	67,495,500
Capped federal revenues.....	158,349,600
Federal supplemental security income	8,588,600
Total other federal revenues	256,830,300
Special revenue funds:	
Local funds - donated funds.....	5,783,500
Local vocational rehabilitation match	5,300,000
Private funds - donated funds.....	9,600,500
Private funds - gifts, bequests, and donations	531,500
Rehabilitation service fees.....	40,000
Second injury fund	38,300
State general fund/general purpose	\$ 280,497,500
Sec. 109. DISABILITY DETERMINATION SERVICES	
Full-time equated classified positions	587.4
Disability determination operations—583.3 FTE positions	\$ 112,005,400
Retirement disability determination—4.1 FTE positions	608,500
GROSS APPROPRIATION	\$ 112,613,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from DTMB - office of retirement services.....	785,600
Federal revenues:	
Total other federal revenues	108,362,800
State general fund/general purpose	\$ 3,465,500
Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Full-time equated classified positions	97.0
Behavioral health program administration—77.0 FTE positions	\$ 55,828,200
Federal and other special projects.....	2,535,600
Gambling addiction—1.0 FTE position	3,006,500
Office of recipient rights—19.0 FTE positions	2,721,900
Protection and advocacy services support.....	194,400
GROSS APPROPRIATION	\$ 64,286,600
Appropriated from:	
Federal revenues:	
Total other federal revenues	33,225,600
Special revenue funds:	
Total private revenues.....	1,004,700
Total other state restricted revenues	3,006,500
State general fund/general purpose	\$ 27,049,800
Sec. 111. BEHAVIORAL HEALTH SERVICES	
Full-time equated classified positions	9.5
Autism services	\$ 100,097,300

	For Fiscal Year Ending Sept. 30, 2018
Children with serious emotional disturbance waiver.....	10,000,000
Children’s waiver home care program.....	20,241,100
Civil service charges	399,300
Community mental health non-Medicaid services	120,050,400
Community substance use disorder prevention, education, and treatment.....	77,075,000
Federal mental health block grant—2.5 FTE positions.....	15,457,300
Health homes.....	3,369,000
Healthy Michigan plan - behavioral health	286,465,600
Medicaid mental health services	2,300,593,100
Medicaid substance use disorder services.....	52,408,500
Nursing home PAS/ARR-OBRA—7.0 FTE positions.....	12,274,100
State disability assistance program substance use disorder services.....	2,018,800
GROSS APPROPRIATION	\$ 3,000,449,500
Appropriated from:	
Federal revenues:	
Total other federal revenues	1,981,549,300
Special revenue funds:	
Total local revenues.....	25,475,800
Total other state restricted revenues	23,881,400
State general fund/general purpose	\$ 969,543,000

Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Total average population.....	770.0	
Full-time equated classified positions	2,256.9	
Caro Regional Mental Health Center - psychiatric hospital - adult—467.8 FTE positions.....	145.0	\$ 58,565,600
Average population	82,823,400	
Center for forensic psychiatry—607.3 FTE positions.....	240.0	
Average population	1,000,000	
Gifts and bequests for patient living and treatment environment	30,638,600	
Hawthorn Center - psychiatric hospital - children and adolescents—277.4 FTE positions.....	55.0	
Average population	120,000	
IDEA, federal special education.....	67,273,500	
Kalamazoo Psychiatric Hospital - adult—474.1 FTE positions.....	170.0	
Average population	445,600	
Purchase of medical services for residents of hospitals and centers.....	750,000	
Revenue recapture	924,600	
Special maintenance	58,601,500	
Walter P. Reuther Psychiatric Hospital - adult—430.3 FTE positions.....	160.0	
Average population	\$ 301,142,800	
GROSS APPROPRIATION		
Appropriated from:		
Federal revenues:		
Total other federal revenues		36,784,000
Special revenue funds:		
Total local revenues.....		20,000,500
Total private revenues.....		1,000,000
Total other state restricted revenues		19,376,600
State general fund/general purpose		\$ 223,981,700

Sec. 113. HEALTH POLICY

Full-time equated classified positions	42.9	
Bone marrow transplant registry		\$ 250,000
Certificate of need program administration—12.3 FTE positions		2,825,300
Health policy administration—25.2 FTE positions		13,065,200
Human trafficking intervention services.....		200,000
Michigan essential health provider.....		3,591,300
Minority health grants and contracts.....		612,700

	For Fiscal Year Ending Sept. 30, 2018
Nurse education and research program—3.0 FTE positions	784,400
Primary care services—1.4 FTE positions	5,068,700
Rural health services—1.0 FTE position	1,555,500
GROSS APPROPRIATION	\$ 27,953,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from the department of licensing and regulatory affairs.....	784,400
IDG from the department of treasury, Michigan state hospital finance authority	117,700
Federal revenues:	
Social security act, temporary assistance for needy families	30,400
Capped federal revenues.....	18,700
Total other federal revenues	16,851,200
Special revenue funds:	
Total private revenues.....	865,000
Total other state restricted revenues	2,709,400
State general fund/general purpose	\$ 6,576,300
Sec. 114. LABORATORY SERVICES	
Full-time equated classified positions	100.0
Laboratory services—100.0 FTE positions	\$ 20,812,100
GROSS APPROPRIATION	\$ 20,812,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from the department of environmental quality.....	991,000
Federal revenues:	
Total other federal revenues	2,340,100
Special revenue funds:	
Total other state restricted revenues	10,633,400
State general fund/general purpose	\$ 6,847,600
Sec. 115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY	
Full-time equated classified positions	101.9
Childhood lead program—4.5 FTE positions.....	\$ 2,048,300
Epidemiology administration—62.1 FTE positions	19,273,600
Healthy homes program—12.0 FTE positions	27,740,400
Immunization program—12.8 FTE positions	16,886,600
Newborn screening follow-up and treatment services—10.5 FTE positions	7,427,500
GROSS APPROPRIATION	\$ 73,376,400
Appropriated from:	
Federal revenues:	
Total other federal revenues	53,683,100
Special revenue funds:	
Total private revenues.....	339,900
Total other state restricted revenues	11,975,600
State general fund/general purpose	\$ 7,377,800
Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
Full-time equated classified positions	226.2
AIDS prevention, testing, and care programs—37.7 FTE positions	\$ 70,623,800
Cancer prevention and control program—13.0 FTE positions.....	15,064,100
Chronic disease control and health promotion administration—27.4 FTE positions.....	8,461,300
Dental programs—3.8 FTE positions.....	3,753,500
Diabetes and kidney program—8.0 FTE positions	3,251,600
Essential local public health services.....	40,886,100
Health and wellness initiatives—11.7 FTE positions.....	9,008,400
Implementation of 1993 PA 133, MCL 333.17015	20,000
Injury control intervention project	1,000,000
Local health services—1.3 FTE positions.....	1,955,100
Medicaid outreach cost reimbursement to local health departments.....	12,500,000

	For Fiscal Year Ending Sept. 30, 2018
Public health administration—7.0 FTE positions.....	1,579,500
Sexually transmitted disease control program—20.0 FTE positions	6,295,000
Smoking prevention program—12.0 FTE positions	2,148,300
Violence prevention—2.9 FTE positions.....	3,124,100
Vital records and health statistics—81.4 FTE positions	10,049,700
GROSS APPROPRIATION	\$ 189,720,500
Appropriated from:	
Federal revenues:	
Capped federal revenues.....	81,100
Total other federal revenues	79,856,800
Special revenue funds:	
Total local revenues.....	5,150,000
Total private revenues.....	39,279,600
Total other state restricted revenues	18,306,800
State general fund/general purpose	\$ 47,046,200
Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
Full-time equated classified positions	108.3
Family, maternal, and child health administration—49.3 FTE positions	\$ 8,507,700
Family planning local agreements.....	8,310,700
Local MCH services	7,018,100
Pregnancy prevention program	602,100
Prenatal care outreach and service delivery support—14.0 FTE positions.....	19,578,800
Special projects.....	6,289,100
Sudden and unexpected infant death and suffocation prevention program.....	321,300
Women, infants, and children program administration and special projects—45.0 FTE positions..	18,045,000
Women, infants, and children program local agreements and food costs	256,285,000
GROSS APPROPRIATION	\$ 324,957,800
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families.....	650,000
Total other federal revenues	252,926,000
Special revenue funds:	
Total local revenues.....	75,000
Total private revenues.....	61,702,400
State general fund/general purpose	\$ 9,604,400
Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS	
Full-time equated classified positions	76.0
Bioterrorism preparedness—53.0 FTE positions.....	\$ 30,398,600
Emergency medical services program—23.0 FTE positions.....	6,773,600
GROSS APPROPRIATION	\$ 37,172,200
Appropriated from:	
Federal revenues:	
Total other federal revenues	31,366,100
Special revenue funds:	
Total other state restricted revenues	4,020,500
State general fund/general purpose	\$ 1,785,600
Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Full-time equated classified positions	46.8
Bequests for care and services—2.8 FTE positions.....	\$ 1,535,300
Children's special health care services administration—44.0 FTE positions.....	6,028,300
Medical care and treatment	239,278,900
Nonemergency medical transportation	905,900
Outreach and advocacy.....	5,510,000
GROSS APPROPRIATION	\$ 253,258,400
Appropriated from:	
Federal revenues:	
Total other federal revenues	137,819,600

For Fiscal Year
Ending Sept. 30,
2018

Special revenue funds:	
Total private revenues.....	1,013,700
Total other state restricted revenues.....	3,382,900
State general fund/general purpose.....	\$ 111,042,200
Sec. 120. AGING AND ADULT SERVICES AGENCY	
Full-time equated classified positions.....	48.0
Aging and adult services administration—48.0 FTE positions.....	\$ 9,394,700
Community services.....	43,567,300
Employment assistance.....	3,500,000
Nutrition services.....	42,254,200
Respite care program.....	6,468,700
Senior volunteer service programs.....	4,465,300
GROSS APPROPRIATION.....	\$ 109,650,200
Appropriated from:	
Federal revenues:	
Capped federal revenues.....	371,500
Total other federal revenues.....	59,627,100
Special revenue funds:	
Total private revenues.....	520,000
Michigan merit award trust fund.....	4,068,700
Total other state restricted revenues.....	2,000,000
State general fund/general purpose.....	\$ 43,062,900
Sec. 121. MEDICAL SERVICES ADMINISTRATION	
Full-time equated classified positions.....	453.5
Electronic health record incentive program—24.0 FTE positions.....	\$ 144,328,000
Healthy Michigan plan administration—30.0 FTE positions.....	48,550,000
Medical services administration—384.5 FTE positions.....	82,810,400
Technology supporting integrated service—15.0 FTE positions.....	17,786,300
GROSS APPROPRIATION.....	\$ 293,474,700
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families.....	749,600
Capped federal revenues.....	910,700
Total other federal revenues.....	244,093,100
Special revenue funds:	
Total local revenues.....	107,300
Total private revenues.....	101,300
Total other state restricted revenues.....	336,300
State general fund/general purpose.....	\$ 47,176,400
Sec. 122. MEDICAL SERVICES	
Adult home help services.....	\$ 316,947,200
Ambulance services.....	20,794,700
Auxiliary medical services.....	6,061,200
Dental clinic program.....	1,000,000
Dental services.....	315,662,300
Federal Medicare pharmaceutical program.....	275,196,900
Health plan services.....	5,036,661,800
Healthy Michigan plan.....	3,862,759,700
Home health services.....	6,163,600
Hospice services.....	115,496,000
Hospital disproportionate share payments.....	45,000,000
Hospital services and therapy.....	770,000,000
Integrated care organizations.....	185,712,300
Long-term care services.....	1,794,419,600
Maternal and child health.....	20,279,500
Medicaid home- and community-based services waiver.....	348,087,400

	For Fiscal Year Ending Sept. 30, 2018
Medicare premium payments	541,623,900
Personal care services.....	9,491,200
Pharmaceutical services.....	423,004,600
Physician services.....	287,642,400
Program of all-inclusive care for the elderly	106,289,100
School-based services.....	109,937,200
Special Medicaid reimbursement.....	308,796,100
Transportation.....	22,717,800
GROSS APPROPRIATION	\$ 14,929,744,500
Appropriated from:	
Federal revenues:	
Total other federal revenues	10,876,331,000
Special revenue funds:	
Total local revenues	34,015,900
Total private revenues.....	2,100,000
Michigan merit award trust fund.....	45,000,000
Total other state restricted revenues	2,188,272,500
State general fund/general purpose	\$ 1,784,025,100
Sec. 123. INFORMATION TECHNOLOGY	
Child support automation	\$ 41,877,600
Information technology services and projects.....	158,814,300
Michigan Medicaid information system.....	55,634,400
GROSS APPROPRIATION	\$ 256,326,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	1,067,000
Federal revenues:	
Social security act, temporary assistance for needy families	23,935,900
Capped federal revenues.....	21,848,800
Total other federal revenues	109,673,300
Special revenue funds:	
Total private revenues.....	25,000,000
Total other state restricted revenues	1,985,800
State general fund/general purpose	\$ 72,815,500
Sec. 124. ONE-TIME BASIS ONLY APPROPRIATIONS	
Full-time equated classified positions	4.5
Autism navigator	\$ 565,000
Child lead poisoning elimination board	500,000
Dental clinic program.....	1,000,000
Direct primary care pilot program.....	5,724,000
Drinking water declaration of emergency—4.5 FTE positions.....	14,041,700
Farmer’s market wireless equipment purchases	500,000
Food Bank Council of Michigan.....	184,000
Food pantry grant	100,000
Prenatal diagnosis clearinghouse website.....	150,000
Primary care and dental health services	300,000
Primary care hospital grant	850,000
Refugee assistance grant	150,000
Special Olympics Michigan.....	100,000
University autism programs.....	500,000
GROSS APPROPRIATION	\$ 24,664,700
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	3,500,000
Total other federal revenues	3,958,000
Special revenue funds:	
Total other state restricted revenues	8,861,700
State general fund/general purpose	\$ 8,345,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$6,760,460,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$1,370,361,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES**COMMUNITY SERVICES AND OUTREACH**

Crime victim rights services grants.....	\$	7,216,000
Housing and support services.....		637,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund.....	\$	156,751,100
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PUBLIC ASSISTANCE

Family independence program	\$	5,100
Multicultural integration funding		5,478,200
State disability assistance payments.....		742,600

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Behavioral health program administration	\$	3,132,000
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BEHAVIORAL HEALTH SERVICES

Autism services	\$	33,648,700
Children with serious emotional disturbance waiver.....		3,522,000
Children's waiver home care program.....		6,500,000
Community mental health non-Medicaid services		120,050,400
Community substance use disorder prevention, education, and treatment.....		14,553,400
Health homes.....		70,700
Healthy Michigan plan - behavioral health		16,472,000
Medicaid mental health services		773,271,300
Medicaid substance use disorder services.....		18,117,100
Nursing home PAS/ARR-OBRA		2,728,200
State disability assistance program substance use disorder services.....		2,018,800

HEALTH POLICY

Primary care services	\$	87,300
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LABORATORY SERVICES

Laboratory services	\$	5,300
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DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Childhood lead program	\$	314,800
Epidemiology administration.....		154,800
Immunization program		1,039,300

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

AIDS prevention, testing, and care programs	\$	1,809,300
Essential local public health services.....		35,736,100
Health and wellness initiatives		2,189,900
Public health administration.....		1,000
Sexually transmitted disease control program.....		701,300

FAMILY, MATERNAL, AND CHILD HEALTH

Family, maternal, and child health administration	\$	8,800
Prenatal care outreach and service delivery support.....		2,997,600

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Medical care and treatment	\$	1,236,200
Outreach and advocacy.....		2,755,000

AGING AND ADULT SERVICES AGENCY

Community services	\$	21,286,900
Nutrition services		12,597,200
Respite care program.....		6,468,700
Senior volunteer service programs		940,800

MEDICAL SERVICES

Dental services	\$ 2,141,200
Hospital services and therapy.....	1,575,500
Long-term care services	102,419,500
Physician services.....	8,926,800
Transportation.....	53,200
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,370,361,400

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

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

- (a) "AIDS" means acquired immunodeficiency syndrome.
- (b) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) "CMS" means the Centers for Medicare and Medicaid Services.
- (d) "Current fiscal year" means the fiscal year ending September 30, 2018.
- (e) "Department" means the department of health and human services.
- (f) "Director" means the director of the department.
- (g) "DSH" means disproportionate share hospital.
- (h) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- (i) "Federal poverty level" means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.
- (j) "FTE" means full-time equated.
- (k) "GME" means graduate medical education.
- (l) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.
- (m) "HEDIS" means healthcare effectiveness data and information set.
- (n) "HMO" means health maintenance organization.
- (o) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (p) "IDG" means interdepartmental grant.
- (q) "MCH" means maternal and child health.
- (r) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to 1396w-5.
- (s) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395iii.
- (t) "MiCAFE" means Michigan's coordinated access to food for the elderly.
- (u) "MIChild" means the program described in section 1670.
- (v) "MiSACWIS" means Michigan statewide automated child welfare information system.
- (w) "PAS/ARR-OBRA" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (x) "PIHP" means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (y) "Previous fiscal year" means the fiscal year ending September 30, 2017.
- (z) "Settlement" means the settlement agreement entered in the case of Dwayne B. v Snyder, docket No. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.
- (aa) "SSI" means supplemental security income.
- (bb) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of subchapter IV of the social security act, 42 USC 601 to 619.
- (cc) "Title IV-B" means part B of title IV of the social security act, 42 USC 620 to 629m.
- (dd) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.
- (ee) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.
- (ff) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 204. Unless otherwise specified, the departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part and part 1. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the internet.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses by January 1 of each year. The travel report shall be a listing of 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 appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) 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.

Sec. 208. 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 outside services that the attorney general authorizes.

Sec. 209. By November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$45,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$40,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$60,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs on the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are estimated at \$335,657,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$172,731,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$162,926,000.00.

Sec. 215. If either of the following events occur, within 30 days the department shall notify the state budget director, the chairs of the house and senate subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

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

Sec. 217. (1) By February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

(2) Upon the release of the next fiscal year executive budget recommendation, the department shall report to the same parties in subsection (1) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the next fiscal year executive budget proposal.

Sec. 218. The department shall include, but not be limited to, the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

(g) Health and human services annex of the Michigan emergency management plan.

(h) Prenatal care.

Sec. 219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Michigan Public Health Institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on or before January 1 of the current fiscal year all of the following:

(a) A detailed description of each funded project.

(b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.

(c) The expected project duration.

(d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(2) On or before December 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

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

Sec. 221. According to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(2) The department shall report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, the senate and house fiscal agencies, and policy offices. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the chairs of the house and senate subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director of that fact.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 225. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

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

Sec. 226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 227. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

(c) Eligibility criteria for program participation and maximum benefit levels where applicable.

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

Sec. 229. (1) The department shall extend the interagency agreement with the Michigan talent investment agency for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the Michigan talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement must require the Michigan talent investment agency to provide all of the following items by January 1 of the current fiscal year for the previous fiscal year to the senate and house appropriations subcommittees on the department budget and the state budget office:

(a) An itemized spending report on TANF funding, including all of the following:

(i) Direct services to recipients.

(ii) Administrative expenditures.

(b) The number of family independence program (FIP) recipients served through the TANF funding, including all of the following:

(i) The number and percentage who obtained employment through Michigan Works!

(ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(iii) Average TANF spending per recipient.

(iv) The number and percentage of recipients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to \$100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 232. (1) The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days of approval by the department but not later than January 15 of the current fiscal year. The spending plan shall include the following information regarding planned expenditures for each category and contract: contract amount, period of performance, each fund source, allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: name of the fund source, category of the fund source indicated by general fund/general purpose, state restricted, local, private or federal, grant number, original authorization, adjusted authorization, expected revenue, authorization less the expected revenue, planned expenditure, and revenue less planned expenditure. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue.

(2) Notwithstanding any other appropriation authority granted in part 1, the department shall not appropriate any general fund/general purpose funds or any related federal and state restricted funds for special maintenance, remodeling, addition - state facilities, or enterprisewide information technology investments without providing a written 30-day notice to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 233. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and state budget office on the status of the merger, executed according to Executive Order No. 2015-4, of the department of community health and the department of human services to create the department of health and human services. The report shall include, but not be limited to, all of the following information:

- (a) The impact on the lives and well-being of the people of Michigan.
- (b) Any direct and indirect fiscal costs or savings that resulted from the merger.
- (c) A step-by-step explanation as to how the integrated service delivery will be implemented by the department and the direct and indirect costs for each step of implementation.
- (d) An explanation of actual or any planned consolidation of duplicative programs as a result of the merger.

Sec. 239. The negative appropriation for merger savings in part 1 shall be satisfied by savings identified by the director and approved by the state budget director. Appropriation authorization adjustments required due to negative appropriations for merger savings shall be made only after the approval of transfers by the legislature under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

Sec. 263. (1) Except as otherwise provided in this subsection, before submission of a waiver, a state plan amendment, or a similar proposal to CMS or other federal agency, the department shall provide written notification of the planned submission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office. This subsection does not apply to the submission of a waiver, a state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of waiver, state plan amendment, or similar proposed submissions.

(2) The department shall provide written biannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with CMS or the United States Department of Health and Human Services or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a biannual report is due, there are no reportable items, then no report is required to be provided.

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

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses. By November 1 and May 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office that includes, at a minimum, all of the following:

- (a) The total amount recovered from the legal action.
- (b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2018 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

(c) Title IV-B part I child welfare services block grant.

(d) Title IV-B part II promoting safe and stable families funds.

(e) Low-income home energy assistance program.

(2) It is the intent of the legislature that the department, in collaboration with the state budget office, not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in the ensuing fiscal year.

(3) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:

(a) Other departments.

(b) Local units of government.

(c) Private sources.

Sec. 279. (1) All master contracts relating to human services as funded by the appropriations in sections 103, 104, 105, 106, 107, 108, and 109 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 280. On a quarterly basis, the department shall provide a report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director that provides all of the following for each line item in part 1 containing personnel-related costs, including the specific individual amounts for salaries and wages, payroll taxes, and fringe benefits:

(a) FTE authorization.

(b) Spending authorization for personnel-related costs, by fund source, under the spending plan.

(c) Actual year-to-date expenditures for personnel-related costs, by fund source, through the end of the prior month.

(d) The projected year-end balance or shortfall for personnel-related costs, by fund source, based on actual monthly spending levels through the end of the prior month.

(e) A specific plan for addressing any projected shortfall for personnel-related costs at either the gross or fund source level.

Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 95% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for such services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs if it can be demonstrated that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to the provision in subsection (1) and the number of contracts terminated due to violations of subsection (1).

Sec. 289. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 290. Any public advertisement for state assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 291. The department shall verify, using the e-verify system, that all new department employees, and new hire employees of contractors and subcontractors paid from funds appropriated in part 1, are legally present in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department.

Sec. 295. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). The state is not liable for any spending above the contract amount. Funds shall not be released until reporting requirements under section 295 of article X of 2016 PA 268 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than \$1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on health and human services, the senate and house fiscal agencies, and the state budget office.

Sec. 297. By March 1 and August 1 of the current fiscal year, the department shall report on the number of FTEs in pay status by type of staff. The report shall include a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 298. (1) Before implementing the pilot projects and demonstration models described in subsections (2), (3), and (4), the department shall contract with an independent project facilitator with at least 10 years of project management experience to establish performance outcome metrics of the pilot projects and demonstration models, finalize each pilot project's or demonstration model's implementation milestones, determine and manage the critical path to the pilot project's or demonstration model's completion, provide independent guidance on resolving conflicts between parties, and perform other necessary oversight and implementation functions as determined by the department. These performance metrics shall evaluate how the pilot projects and demonstration models impact, at a minimum, each of the following categories:

(a) Improvement of the coordination between behavioral health and physical health.

(b) Improvement of services available to individuals with mental illness, intellectual or developmental disabilities, or substance use disorders.

(c) Benefits associated with full access to community-based services and supports.

(d) Customer health status.

(e) Customer satisfaction.

(f) Provider network stability.

(g) Treatment and service efficacies.

(h) Financial efficiencies.

(i) Any other relevant categories.

(2) The department shall work with a willing CMHSP in Kent County and all willing Medicaid health plans in the county to pilot a full physical and behavioral health integrated service demonstration model. The department shall ensure that the pilot project described in this subsection is implemented in a manner that ensures at least all of the following:

(a) That each willing Medicaid health plan is contractually required to utilize the CMHSP in Kent County as the provider of behavioral health specialty supports and services.

(b) That any changes made to a Medicaid waiver or Medicaid state plan to implement the pilot project described in this subsection must only be in effect for the duration of the pilot project described in this subsection.

(c) That the project is consistent with the stated core values as identified in the final report of the workgroup established in section 298 of article X of 2016 PA 268.

(d) That updates are provided to the medical care advisory council, behavioral health advisory council, and developmental disabilities council.

- (3) The department shall reduce the number of PIHPs providing Medicaid behavioral health managed care services to 4.
- (a) The department shall maintain single-county PIHPs in each county that had a population greater than 800,000 according to the most recent decennial census.
- (b) The department shall create a single PIHP for those counties not included in the PIHPs described in subdivision (a).
- (c) The PIHPs described in this section shall operate in a manner consistent with the core values stated by the workgroup described in subsection (2).
- (4) In addition to the pilot project described in subsection (2), the department shall implement up to 3 pilot projects to achieve fully financially integrated Medicaid behavioral health and physical health benefit and financial integration demonstration models. These demonstration models shall use single contracts between the state and each licensed Medicaid health plan that is currently contracted to provide Medicaid services in the geographic area of the pilot project. The department shall ensure that the pilot projects described in this subsection are implemented in a manner that ensures at least all of the following:
- (a) That allows the CMHSP in the geographic area of the pilot project to be a provider of behavioral health supports and services.
- (b) That any changes made to a Medicaid waiver or Medicaid state plan to implement the pilot projects described in this subsection must only be in effect for the duration of the pilot projects described in this subsection.
- (c) That the project is consistent with the stated core values as identified in the final report of the workgroup described in subsection (2).
- (d) That updates are provided to the medical care advisory council, behavioral health advisory council, and developmental disabilities council.
- (5) The department shall begin to implement the pilot projects and demonstration models described in subsections (2), (3), and (4) by no later than October 1, 2017 and shall implement the pilot projects and demonstration models described in subsections (2), (3), and (4) by no later than March 1, 2018. Each pilot project shall be designed to last at least 2 years.
- (6) For the duration of any pilot projects and demonstration models, any and all realized benefits and cost savings of integrating the physical health and behavioral health systems shall be reinvested in services and supports for individuals having or at risk of having a mental illness, an intellectual or developmental disability, or a substance use disorder.
- (7) It is the intent of the legislature that the primary purpose of the pilot projects and demonstration models is to test how the state may better integrate behavioral and physical health delivery systems in order to improve behavioral and physical health outcomes, maximize efficiencies, minimize unnecessary costs, and achieve material increases in behavioral health services without increases in overall Medicaid spending.
- (8) The department shall contract with 1 of the state's research universities at least 6 months before the completion of each pilot project or demonstration model to evaluate the pilot project or demonstration model. The evaluation shall include information on the pilot project's or demonstration model's success in meeting the performance metrics developed in subsection (1) and information on whether the pilot project could be replicated into other geographic areas with similar performance metric outcomes. The evaluation shall also include a comparison of Michigan model outcomes with similar model outcomes in other states. The evaluation shall be completed within 6 months of the end of the pilot project or demonstration model and shall be provided to the department, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.
- (9) By October 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on progress, a time frame for implementation, and any identified barriers to implementation and the remedies to address any identified barriers of the items described in subsections (2), (3), and (4). The report shall also include information on policy changes and any other efforts made to improve the coordination of supports and services for individuals having or at risk of having a mental illness, an intellectual or developmental disability, a substance use disorder, or a physical health need.
- (10) Upon completion of any pilot projects or demonstration models advanced under this section, the managing entity of the pilot project or demonstration model shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office within 30 days of completion of that pilot project or demonstration model detailing their experience, lessons learned, efficiencies and savings revealed, increases in investment on behavioral health services, and recommendations for extending pilot projects to full implementation or discontinuation.

Sec. 299. (1) No state department or agency shall issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

(2) From funds appropriated in part 1, for all RFPs issued during the current fiscal year where an existing service received proposals by multiple vendors, the department shall notify all vendors within 30 days of the RFP decision. The notification to vendors shall include details on the RFP process, including the respective RFP scores and the respective cost for each vendor. If the highest scored RFP or lowest cost RFP does not receive the contract for an existing service offered by the department, the notification shall issue an explanation for the reasons that the highest scored RFP or lowest cost RFP did not receive the contract and detail the incremental cost target amount or service level required that was required to migrate the service to a new vendor. Additionally, the department shall include in the notification details as to why a cost or service difference is justifiable if the highest scored or lowest cost vendor does not receive the contract.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by September 30 of the current fiscal year a report that summarizes all RFPs during the current fiscal year where an existing service received proposals by multiple vendors. The report shall list all finalized RFPs where there was a divergence from awarding the contract to the lowest cost or highest scoring vendor. The report shall also include the cost or service threshold required by department policy that must be satisfied in order for an existing contract to be received by new vendor.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 307. (1) From the funds appropriated in part 1 for demonstration projects, \$950,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud, waste, or abuse of state-administered public assistance.

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

Sec. 310. It is the intent of the legislature that the department shall work with youth-oriented nonprofit organizations to provide mentoring programming for children of incarcerated parents and other at-risk children.

Sec. 316. From the funds appropriated in part 1 for terminal leave payments, the department shall not spend in excess of its annual gross appropriation unless it identifies and requests a legislative transfer from another budgetary line item supporting administrative costs, as provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 409. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$450,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming, which will take place in each county in the Governor's Prosperity Region 3. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

- (a) Increasing school attendance and decreasing chronic absenteeism.
- (b) Increasing academic performance based on grades with emphasis on math and reading.
- (c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.
- (d) Increasing parent involvement with the parent's child's school and community.

(2) The Northeast Michigan Community Service Agency shall provide reports to the department on January 31 and June 30 of the current fiscal year on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 452. From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall continue to support forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 453. From the funds appropriated in part 1 for homeless programs, the department shall increase emergency shelter program per diem rates to \$16.00 per bed night to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. The purpose of this enhancement is to increase the number of shelter discharges to stable housing destinations, decrease recidivism rates for shelter clients, and reduce the average length of stay in emergency shelters.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to develop actuarially sound case rates for necessary out-of-home child welfare services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) The department shall continue to develop a prospective rate payment system for private agencies that includes funding for adoption incentive payments. The full cost prospective rate payment system will identify and cover contractual costs paid through the case rate developed by an independent actuary.

(3) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on the full cost analysis of the performance-based funding model. The report shall include background information on the project and give details about the contractual costs covered through the case rate.

(4) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue an independent, third-party evaluation of the performance-based funding model. The evaluator shall be selected through a competitive process by a rating committee that includes, but is not limited to, representatives from the department and private child placing agencies.

(5) The department shall only implement the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have signed a memorandum of understanding that incorporates the intentions of the concerned parties in order to implement the performance-based funding model.

(6) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide a quarterly report on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

(7) From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.

Sec. 504. (1) The department may establish a master agreement with the West Michigan Partnership for Children Consortium for a performance-based child welfare contracting pilot program. The consortium shall consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) The consortium shall operate an integrated continuum of care structure, with services provided by private or public agencies, based on individual case needs.

(3) By March 1 of the current fiscal year, the consortium shall provide to the department and the house and senate appropriations subcommittees on the department budget a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the status of the consortium evaluation.

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

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

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

(2) The department and the child abuse and neglect prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 511. The department shall provide semiannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely health examinations after entry into foster care and the number and percentage of children entering foster care who received a required mental health examination after entry into foster care.

Sec. 512. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the following information from the previous fiscal year:

- (a) The total number of relative care placements.
- (b) The number of relative care placements ordered by the court in accordance with the department's recommendation.
- (c) The number of relative care placements ordered by the court contrary to the department's recommendation.

- (d) The number of relative care placements placed by the department.
 - (e) The total number of relatives with a placement who became licensed.
 - (f) The number of waivers of foster care licensure granted to relative care providers.
 - (g) The number of waivers of foster care denied to relative care providers.
 - (h) A list of the reasons the department denied granting a waiver of foster care licensure for a relative care provider.
 - (i) A list of the reasons that relatives were declined foster care licensure as documented by the department.
 - (j) The number of children removed from relative care placement after their relative care providers were unable to qualify for the foster care licensure waiver.
 - (k) The projected cost if all relative care providers became licensed.
 - (l) The projected cost if all relative care providers became eligible to receive assistance from the child care fund regardless of licensure.
- (2) The caseworker shall request a waiver of foster care licensure if both of the following apply:
- (a) The caseworker has fully informed the relative of the benefits of licensure and the option of a licensure waiver.
 - (b) The caseworker has assessed the relative and the relative's home using the department's initial relative safety screen and the department's relative home assessment and has determined that the relative's home is safe and placement there is in the child's best interest.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

- (a) There is no appropriate placement available in this state as determined by the department interstate compact office.
- (b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.
- (c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.
- (d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.
- (e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) The department shall submit an annual report to the state court administrative office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of Michigan children residing in out-of-state facilities at the time of the report, the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

(4) It is the intent of the legislature that the department shall work in conjunction with the courts and the state court administrative office to identify data needed to calculate statewide recidivism rates for adjudicated youth placed in either residential secure or nonsecure facilities, defined at 6 months after a youth is released from placement.

(5) By March 1 of the current fiscal year, the department shall notify the legislature on the status of efforts to accomplish the intent of subsection (4).

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following:

- (a) Statistical information including, but not limited to, all of the following:
 - (i) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.
 - (ii) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.
 - (iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.
 - (iv) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.
 - (v) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.
 - (vi) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.
- (b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) Statistical information regarding families that were classified in category III, including, but not limited to, all of the following:

- (i) The total number of cases classified in category III.
- (ii) The number of cases in category III referred to voluntary community services and closed with no additional monitoring.
- (iii) The number of cases in category III referred to voluntary community services and monitored for up to 90 days.
- (iv) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect.
- (v) The number of cases in category III that the department reclassified from category III to category II.
- (vi) The number of cases in category III that the department reclassified from category III to category I.
- (vii) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate \$750,000.00 for college scholarships through the fostering futures scholarship program in the Michigan education trust to youths who were in foster care because of child abuse or child neglect and are attending a college located in this state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths described in this section.

(2) By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that includes the number of youths who received scholarships and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall report on the families first, family reunification, and families together building solutions family preservation programs to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office. The report shall provide an estimate of total costs savings as a result of avoiding placement of children in foster care for families who received family preservation services and shall include information for each program on any innovations that may increase savings or reductions in administrative costs.

(2) From the funds appropriated in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for foster care payments and related administrative costs, the department may implement the federally approved title IV-E child welfare waiver demonstration project. As required under the waiver, any savings resulting from the demonstration project must be quantified and reinvested into child welfare programming.

Sec. 531. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the child placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 532. The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review and include summaries of actions undertaken to revise, improve, and identify weaknesses in the current annual licensing process and annual contract compliance.

Sec. 533. (1) The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

(2) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that details each private child placing agency and the percentage of payments that were in excess of 30 days during the entire prior fiscal year and the first quarter of the current fiscal year.

Sec. 537. (1) The department, in collaboration with child placing agencies, shall develop a strategy to implement section 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall include a requirement that a department caseworker responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the strategy described in subsection (1).

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a \$37.00 administrative rate.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth ages 16 through 19 who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) From the funds appropriated in part 1, the department shall pay providers of foster care services an additional \$9.20 administrative rate, if section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional administrative rate provided in this subsection. Payments under this subsection shall be made, not less than, on a monthly basis.

(4) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly expenditure reports to the department to identify actual costs of providing foster care services.

(5) From the funds appropriated in part 1, the department shall provide an increase to each private provider of residential services, if section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional rate provided in this section.

Sec. 547. From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) Subsequent to any original funding source determination made by the department for the status of a youth, the department shall not seek reimbursement from a county if the funding source status of a youth has changed.

Sec. 551. The department shall respond to counties within 30 days regarding any request for a clarification requested through the department's child care fund management unit electronic mail address.

Sec. 552. Sixty days after a county's child care fund on-site review is completed, the department shall provide the results of the review to the county.

Sec. 558. (1) The department shall permit private nationally accredited foster care and adoption agencies to conduct their own staff training, based on current department policies and procedures, if the agency trainer and training materials are certified by the department through a train the trainer model and that the agency documents to the department that the training was provided. The department shall provide access to all training materials the private agencies will need to facilitate this training.

(2) The department shall post on the department's website a list of all relevant departmental training materials available to private nationally accredited foster care and adoption agencies that are allowed to conduct their own training in accordance with this section. The department shall also provide to private child placing agencies that are allowed to conduct their own training any updated training materials as those materials become available.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, the department shall allocate \$250,000.00 to the Adoptive Family Support Network by December 1 of the current fiscal year to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The Adoptive Family Support Network shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days of receiving a request for eligible reimbursements from a foster parent.

Sec. 564. (1) The department shall develop a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

(2) Per the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of the caseworkers' control.

(3) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the following:

(a) The percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

(b) The barriers to achieve the success rates in subsections (1) and (2) and how this information is tracked.

Sec. 567. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on completion of medical passports for children in foster care, including the following:

(a) The percentage of medical passports that were properly filled out.

(b) From the total medical passports transferred, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(c) From the total school records, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(d) The implementation steps that have been taken to improve the outcomes for the measures in subdivisions (a) and (b).

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 573. The department may pay providers of foster care services a per diem daily administrative rate for every case on a caseworker's caseload for the duration of a case from referral acceptance to the discharge of wardship.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, \$3,500,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive \$4,500.00 for each facilitated licensure if completed within 180 days after case acceptance, or, if a waiver was previously approved, 180 days from the referral date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to \$3,500.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for the newly licensed cases for which the placement was appropriate to the agency.

(2) From the funds appropriated for foster care payments, \$375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 583. By February 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office a report that includes:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year and the reasons the foster parents left the program and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. (1) Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies and policy offices, without revision.

(2) The department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a monthly basis, the department shall report on the number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 590. From funds appropriated in part 1 for youth in transition, \$280,000.00 shall be awarded to a charter high school for students ages 16 to 22 who have previously dropped out or are at risk of not graduating on time operating in a county with a population of greater than 172,000 but less than 175,000 according to the most recent federal decennial census. It is the intent of the legislature that this is the second year out of 3 years that funding is to be provided by the legislature for the charter high school described in this section.

Sec. 593. The department may allow residential service providers for child abuse and child neglect cases to implement a staff ratio during working hours of 1 staff to 5 children.

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this investment is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall establish a policy to conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 603. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on continued work effort on the action plan developed by the Medicaid claim workgroup established in section 603 of article X of 2014 PA 252, including the steps taken to implement the action plan developed by the workgroup, and the department's ongoing efforts to maximize Medicaid claims for foster children and adjudicated youths and any developments to the Medicaid program that could affect foster children and adjudicated youths.

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

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

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

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

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

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

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

(g) A caretaker of a disabled person who meets the requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income if the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state residents or illegal immigrants.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed the minimum state supplementation level as required under federal law or regulations.

Sec. 613. (1) The department shall provide reimbursements for the final disposition of indigent persons. The reimbursements shall include the following:

(a) The maximum allowable reimbursement for the final disposition is \$800.00.

(b) The adult burial with services allowance is \$725.00.

(c) The adult burial without services allowance is \$490.00.

(d) The infant burial allowance is \$170.00.

(2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

Sec. 614. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than \$2.50 in fees for cash back as a condition of participation.

Sec. 618. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the status of the implementation of section 84 of the corrections code of 1953, 1953 PA 232, MCL 791.284.

Sec. 619. (1) Subject to subsection (2), the department shall exempt from the denial of title IV-A assistance and food assistance benefits under 21 USC 862a any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, if the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

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

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted in 2 or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22, 1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of application.

(2) The department shall report on a quarterly basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 625. From the funds appropriated in part 1 for SSI advocacy legal services, the department shall allocate \$250,000.00 to contract with the Legal Services Association of Michigan to provide assistance to individuals who have applied for or wish to apply for SSI or other federal disability benefits. The Legal Services Association of Michigan shall provide a list of new recipients accepted to the department to verify that services have been provided to department recipients. The Legal Services Association of Michigan and the department shall work together to develop release forms to share information in appropriate cases. The Legal Services Association of Michigan shall provide quarterly reports indicating cases opened, cases closed, level of services provided on closed cases, and case outcomes on closed cases.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 650. The department shall apply the food assistance eligibility requirements as prescribed in 7 CFR 273.24(a) to (d) on a statewide basis for the fiscal year beginning October 1, 2017.

Sec. 651. (1) From the funds appropriated in part 1, the department shall allocate up to \$1,500,000.00 to Michigan State University (MSU) Extension for the Michigan corner store initiative. Funds provided for the Michigan corner store initiative shall be used to provide grants to small food retailers to increase the availability and sales of fresh and nutritious food in low- and moderate-income areas of the state. In determining qualified projects to fund, the MSU Extension shall consider the level of need in the area to be served. The MSU Extension shall report annually to the department on the projects funded, the geographic distribution of the projects, the costs of the program, and the outcomes, including the number and type of jobs created and health impacts associated with the program. The department shall provide the annual report described in this section to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices. To qualify, grant applicants must do all of the following:

- (a) Be a small food retailer.
- (b) Be located in a low- or moderate-income area.
- (c) Accept or agree to accept, as a condition of receiving assistance, food assistance program benefits.
- (d) Agree to apply to accept special supplemental nutrition program for women, infants, and children (WIC) benefits and accept WIC benefits, if eligible.
- (e) Agree to abide by the conditions for receiving assistance.
- (f) Collect and provide data and other information required by the department and MSU Extension for monitoring, accountability, and evaluation purposes.

(2) Grant money disbursed under the Michigan corner store initiative may be used for the following purposes:

- (a) Salary and associated costs of employees or contractors providing education, advice, or other assistance on food safety and handling, nutrition education, business operations, and promotion to small food retailers.
- (b) Refrigeration, display shelving, or other equipment for small food retailers necessary for stocking healthy foods and fresh produce, at a cost of less than \$5,000.00 per retailer.
- (c) Materials and supplies for nutrition education and healthy food promotion.
- (d) Mini-grants to retailers of no more than \$100.00 per retailer to meet initial expenses incurred with participation in the program.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their bridge cards at many farmers' markets in the state. The department shall also notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient spends \$20.00 at participating farmers' markets through the program, the recipient can receive an additional \$20.00 to buy Michigan produce.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures, to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

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

Sec. 669. The department shall allocate \$6,270,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) It shall be the policy of the department that the department shall require an explanation from a recipient if a bridge card is replaced more than 2 times over any 3-month period.

(3) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report that includes all of the following:

- (a) The number and percentage of nonexempt family independence program recipients who are employed.
- (b) The average and range of wages of employed family independence program recipients.
- (c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than \$200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits.

Sec. 687. (1) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

- (a) The number of applications received.
- (b) The number of applications approved.
- (c) The number of applications denied.
- (d) The number of applications pending and neither approved nor denied.
- (e) The number of cases opened.
- (f) The number of cases closed.
- (g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website the family independence program information listed as follows:

- (a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.
- (b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.
- (c) The number of cases sanctioned because of the school truancy policy.
- (d) The number of cases closed because of the 48-month and 60-month lifetime limits.
- (e) The number of first-, second-, and third-time sanctions.
- (f) The number of children ages 0-5 living in FIP-sanctioned households.

(4) The department shall notify the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices when the reports required in this section are made available on the department's website.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, up to \$6,766,800.00 of federal funding shall be allocated to provide an additional \$20.01 payment to food assistance program cases that are not currently eligible for the standard utility allowance to enable these cases to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by October 1 and the number of service spending plans not approved by December 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

Sec. 709. The department's master contract for juvenile justice residential foster care services shall be amended to prohibit contractors from denying a referral for placement of a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or psychiatrist, or both, and access to the licensed psychologist or psychiatrist as needed.

Sec. 710. The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of days of care and expenditures by funding source for the previous year for out-of-home placements by specific placement programs, including, but not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, court-supervised facilities, and independent living. The report shall identify out-of-home placement days of care as to whether the placement is child abuse or child neglect or delinquent in nature. The report shall also identify days of care for department-operated residential juvenile justice facilities by security classification.

Sec. 721. If the demand for placements at state-operated juvenile justice residential facilities exceeds capacity, the department shall not increase the available occupancy or services at the facilities, and shall post a request for proposals for a contract with not less than 1 private provider of residential services for juvenile justice youth to be a residential facility of last resort.

FIELD OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to leverage federal vocational rehabilitation innovation and expansion funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide project that specifically focuses on economic self-sufficiency.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

Sec. 802. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 803. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following items:

- (a) Reductions and changes in administration costs and staffing.
- (b) Service delivery plans and implementation steps achieved.
- (c) Reorganization plans and implementation steps achieved.
- (d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.
- (e) Quarterly expenditures by major spending category.
- (f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.
- (g) Success rate of each district in achieving the program goals.

Sec. 804. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate \$50,000.00 along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 805. It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

Sec. 806. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate \$6,100,300.00, including federal matching funds, to service authorizations with community-based rehabilitation organizations for an array of needed services throughout the rehabilitation process.

(2) The department shall support the objectives stated in Executive Order No. 2015-15, by providing the service provider community with technical assistance in the process of provider transformation among community rehabilitation organizations and restructuring the reimbursement rates for employment supports and services among those who provide job preparation, job placement, and job retention supports and services. Additionally, the department shall ensure technical assistance to promote seamless transition outcomes from education to employment for individuals with disabilities and providing education and outreach to clients and their families, including information on benefits coordination and planning for the promotion of successful employment outcomes.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the \$350,000.00 allocated under this section, the department shall use \$175,000.00, which are general fund/general purpose funds, as state matching funds for not less than \$175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 808. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the nutrition education program. The report shall include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding, planned and actual grant amounts for the supplemental nutrition assistance program education funding, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding, a list of all supplemental nutrition assistance program education funding programs by implementing agency, and the stated purpose of each program.

Sec. 809. (1) The purpose of the pathways to potential program is to reduce chronic absenteeism by 20%, decrease the number of students who repeat grades by 15%, decrease the rate of dropouts by 10%, and increase graduation by 20% for schools that are current participants in the pathways to potential program and to reduce chronic absenteeism by 25%, decrease the number of students who repeat grades by 20%, decrease the rate of dropouts by 15%, and increase graduation by 25% for schools that are new participants in the pathways to potential program. The funding priority for the pathways to potential program shall be based on schools achieving successful outcomes on the above measurements.

(2) From the funds appropriated in part 1 for public assistance field staff intended for the pathways to potential program, the department shall allocate \$75,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming, which will take place in each county in the governor's prosperity region 3.

(3) From the funds appropriated in part 1 for public assistance field staff intended for the pathways to potential program, the department shall allocate \$60,000.00 to the Early Neighborhood Learning Collaborative to improve the attendance and retention of students enrolled in an early neighborhood learning collaborative great start readiness program approved classroom. It is the intent of the legislature that these funds shall be allocated on a one-time basis only.

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than \$500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to \$900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. From the funds appropriated in part 1 for adult services field staff, the department shall improve staffing ratios in adult protective services programs with the goal of reducing the number of older adults who are victims of crime and fraud. The purpose of the staffing enhancement is to increase standard of promptness by 90% or above in every county, as measured by commencing an investigation within 24 hours, establishing face-to-face contact with the client within 72 hours, and completing the investigation within 30 days.

Sec. 852. The 29 additional FTE authorizations in part 1 added to the public assistance field staff line item in the current fiscal year shall be allocated to support the pathways to potential program to provide additional staff in schools.

BEHAVIORAL HEALTH SERVICES

Sec. 901. Except for the pilot projects and demonstration models described in section 298, the funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) Except for the pilot projects and demonstration models described in section 298, from the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) Any new contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(b) Any amendments to contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 904. (1) By May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group and cultural and ethnic groups of the services area, including the deaf and hard of hearing population.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by diagnosis group, service category, and reimbursement eligibility; and cost information by Medicaid, Healthy Michigan plan, state appropriated non-Medicaid mental health services, local funding, and other fund sources, including administration and funds specified for all outside contracts for services and products. Financial information must include the amount of funding, from each fund source, used to cover clinical services and supports. Service category includes all department-approved services.

(d) Data describing service outcomes that include, but are not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to CMHSPs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(i) Administrative expenditures of each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders that includes a breakout of the salary, benefits, and pension of each executive level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

Sec. 905. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall maintain a psychiatric transitional unit and children's behavioral action team. These services will augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 906. (1) The funds appropriated in part 1 for the state disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 907. (1) The amount appropriated in part 1 for substance use disorder prevention, education, and treatment grants shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 908. (1) By April 1 of the current fiscal year, the department shall report the following data from the prior fiscal year on substance use disorder prevention, education, and treatment programs to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office:

(a) Expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by department-designated community mental health entity shall be reported.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all department-designated community mental health entities.

Sec. 909. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall use available revenue from the marijuana regulatory fund established in section 604 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health; expand access to substance use disorder prevention and treatment services; and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 915. (1) From the funds appropriated in part 1 for behavioral health program administration and intended to support the mental health and wellness commission, the department shall maintain the funding level for Special Olympics Michigan at the level in effect during the fiscal year ending September 30, 2017.

(2) By March 1 of the current fiscal year, the department shall report the following information on the mental health and wellness commission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office:

(a) Previous fiscal year expenditures by actionable recommendation of the mental health and wellness commission.

(b) Programs utilized during the previous fiscal year to address each actionable recommendation of the mental health and wellness commission.

(c) Outcomes and performance measures achieved during the previous fiscal year by actionable recommendation of the mental health and wellness commission.

(d) Current fiscal year funding by actionable recommendation of the mental health and wellness commission.

(e) Current fiscal year funding by program utilized to address each actionable recommendation of the mental health and wellness commission.

(f) Funding within the executive budget proposal for the fiscal year ending September 30, 2019, by actionable recommendation of the mental health and wellness commission.

Sec. 918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall do both of the following:

(a) Review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(b) Withdraw unspent funds that have been allocated to a CMHSP if other reallocated funds were expended in a manner not provided for in the approved contract, including expending funds on services and programs provided to individuals residing outside of the CMHSP's geographic region.

(2) A CMHSP that has its funding allocation transferred out or withdrawn during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for reallocation or withdraw as described in subsection (1). By September 30 of the current fiscal year, the department shall provide a report on the amount of funding reallocated or withdrawn to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.

Sec. 943. The department shall study the viability of using telemedicine to perform competency examinations by a forensic psychiatrist. By January 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the findings of the viability study, the total transportation costs by county for the previous fiscal year, and any savings, by county, from the use of telemedicine.

Sec. 950. The department, in collaboration with the Michigan Association of Community Mental Health Boards, shall determine the best payment method and financial cost of providing \$95.00 per month to court-appointed guardians and conservators that are providing services to individuals receiving community mental health services. By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the proposed payment method and financial cost of providing \$95.00 per month to court-appointed guardians and conservators that are providing services to individuals receiving community mental health services.

Sec. 958. Medicaid services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan. These services may be coordinated with the Medicaid health plans and the Michigan Association of Health Plans.

Sec. 994. (1) By January 1 of the current fiscal year, the department shall seek federal approval through either a waiver request or state plan amendment to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be considered in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By April 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office all of the following:

- (a) The status of the federal approval process required in subsection (1).
- (b) A list of each CMHSP, PIHP, and subcontracting provider agency that is considered to be in compliance with state program review and audit requirements under subsection (1).
- (c) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (b), both of the following:
 - (i) The state program review and audit requirements that the CMHSP, PIHP, or subcontracting provider agency is considered to be in compliance with.
 - (ii) The national accrediting entity that reviewed and accredited the CMHSP, PIHP, or subcontracting provider agency.

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety. Any cost savings attributed to this action shall be reinvested back into services.

(4) As used in this section, "national accrediting entity" means the Joint Commission, formerly known as the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, the URAC, formerly known as the Utilization Review Accreditation Commission, the National Committee for Quality Assurance, or another appropriate entity, as approved by the department.

Sec. 995. From the funds appropriated in part 1 for behavioral health program administration, \$4,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 997. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal census.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal census data available.

Sec. 1003. The department shall notify the Michigan Association of Community Mental Health Boards when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the senate and house appropriations subcommittee on the department budget, the senate and house fiscal agencies, and the state budget office any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 1008. The PIHP shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must be demonstrated by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies shall not be applied to PIHP net assets, internal service fund increases, building costs, increases in the number of PIHP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1009. (1) From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall allocate up to \$22,500,000.00 to increase hourly wages by \$0.25 for direct care workers providing Medicaid behavioral health supports and services. The department shall contractually mandate these funds be fully passed through to agencies directly responsible for paying the direct care workers' wages and shall contractually mandate that the agencies provide the department with ending wages at the end of the previous fiscal year and the new increased wages provided in the current fiscal year. The purpose of this allocation is to increase access to direct care services as reported in CMHSP sub-element cost reports, to reduce the turnover rate among direct care workers, and to improve the quality of direct care workers providing Medicaid behavioral health supports and services.

(2) Effective June 1, 2018, and utilizing the wage information provided in subsection (1), the department shall establish a pool of funds available to PIHPs to provide for an additional hourly wage increase of up to \$0.25 for direct care workers whose wages after the hourly rate increase in subsection (1) are less than \$10.90. These funds shall not be utilized to provide an hourly rate of greater than \$10.90. To receive these funds, each PIHP shall do the following:

(a) Each PIHP shall apply to the department to receive funds for the direct care worker wage pass-through fund, not to exceed their proportionate share of the funds allocated for this purpose. The application shall specify the amount of funds requested and the agencies or programs to receive the wage pass-through funds requested.

(b) Each PIHP awarded wage pass-through funds shall report to the department the actual expenditures of such funds in the format to be determined by the department.

(c) Each PIHP awarded wage pass-through funds shall report to the department the range of wages paid to workers impacted by the wage pass-through, including information on the number of workers at each wage level.

(3) Any of the funds provided in this section not utilized by a PIHP for increasing direct care worker wages or for the employer's share of federal insurance contributions act costs shall be deducted from the base allocation to that PIHP in the subsequent fiscal year.

Sec. 1010. From the funds appropriated in part 1 for behavioral health program administration, up to \$2,000,000.00 shall be allocated to address the implementation of court-ordered assisted outpatient treatment as provided under chapter 4 of the mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

Sec. 1011. From the funds available in part 1 through the state targeted response to the opioid crisis grant, the department shall provide \$850,000.00 for the development of a genomic based demonstration program to predict opioid response and abuse and analyze cost savings to the state Medicaid population. The demonstration program shall be operated by a CMHSP located in a county with a population between 245,000 and 255,000 according to the most recent decennial census and shall identify relevant biomarkers that predict risk of opioid abuse and overdose by analyzing test results from the Medicaid population served by the CMHSP. The demonstration program shall utilize a custom screening panel developed by a Michigan based genomics lab that is certified under the clinical laboratory improvement amendments of 1988, Public Law 100-578. The CMHSP shall analyze data and compile results relating to relevant biomarkers and their impact on cost to the Medicaid population in the demonstration program and present a final report to the department, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies by June 1 of the current fiscal year.

Sec. 1012. By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office addressing the challenge of meeting monthly deductible requirements in the Medicaid program and establish policy recommendations. The report shall include, but not be limited to, all of the following items:

(a) The average number of individuals who do not meet their monthly Medicaid deductibles in this state each year.

(b) How the reduction in general fund investment to CMHSPs for non-Medicaid services has played a role in the inability of many individuals to meet their spenddown.

(c) What currently counts as the protected income level and countable asset limit and how that compares to other states.

(d) An action plan for implementation of any proposed changes.

(e) An estimate of the costs that may be incurred from adoption of recommendations included in the report.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on the department budget and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1057. The department shall work with the department of technology, management, and budget to evaluate the condition of the Hawthorn Center, the cost-effectiveness of improvements and investments and make recommendations to improve the quality of the facility needed by the patients.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. The department shall identify specific outcomes and performance measures for the center for forensic psychiatry, including, but not limited to, the following:

(a) The average wait time for persons determined incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons determined incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The number of persons waiting to receive services at the center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state-operated hospitals and centers.

Sec. 1060. (1) The department shall convene a workgroup in collaboration with the chairs of the house and senate appropriations subcommittees on the department budget or their designees, labor union representation, civil service, and any other appropriate parties to recommend solutions to address mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers, including, but not limited to, permitting retired workers to return and permitting hiring of part-time workers.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1061. The funds appropriated in part 1 for Caro Regional Mental Health Center shall only be utilized to support a psychiatric hospital located at its current location. It is the intent of the legislature that the Caro Regional Mental Health Center shall remain open and operational at its current location on an ongoing basis, and that any capital outlay funding shall be utilized for planning and construction at the current location instead of at a new location.

HEALTH POLICY

Sec. 1140. From the funds appropriated in part 1 for primary care services, \$250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) By March 1 and September 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

(4) From the funds appropriated in part 1 for health policy administration, any data aggregator created as part of the allocation of the federal state innovation model grant funds must meet the following standards:

(a) The primary purpose of the data aggregator must be to increase the quality of health care delivered in this state, while reducing costs.

(b) The data aggregator must be governed by a nonprofit entity.

(c) All decisions regarding the establishment, administration, and modification of the database must be made by an advisory board. The membership of the advisory board must include the director of the department or a designee of the director and representatives of health carriers, consumers, and purchasers.

(d) The Michigan Data Collaborative shall be the data aggregator to receive health care claims information from, without limitation, commercial health carriers, nonprofit health care corporations, health maintenance organizations, and third party administrators that process claims under a service contract.

(e) The data aggregator must use existing data sources and technological infrastructure, to the extent possible.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1146. From the funds appropriated in part 1 for bone marrow transplant registry, \$250,000.00 shall be allocated to Michigan Blood, the partner of the match registry of the national marrow donor program. The funds shall be used to offset ongoing tissue typing expenses associated with donor recruitment and collection services and to expand those services to better serve the citizens of this state.

Sec. 1147. (1) From the funds appropriated in part 1 for primary care services, \$1,000,000.00 shall be appropriated for the first year of a 6-year early primary care pilot program to facilitate the placement of physicians in medically underserved areas of this state. The early primary care pilot program format includes all of the following:

(a) Recruitment of interested physicians before completion of first year of residency.

(b) To participate in the pilot program, a physician must do all of the following:

(i) Complete 1 year of post-graduate education.

(ii) Complete and pass all 3 parts of a national licensing board examination.

(iii) Obtain an unrestricted license to engage in the practice of osteopathic medicine and surgery or an unrestricted license to engage in the practice of medicine in this state.

(c) A participating physician shall enter into a contract to work with an employer for no less than 2 years in a federally underserved rural or urban area in this state, beginning the year following completion of 1 year of post-graduate education.

(d) The employer shall employ the physician at a competitive salary. A contractual employer may include, but is not limited to, a private practice physician or physician group, a hospital or hospital system, a community clinic, or a federally qualified health center.

(e) Assistance with repayment of medical education loans of the participating physician shall be provided through local, state, federal, or other sources during the employment period, with a target assistance amount of \$50,000.00 over 2 years.

(f) Upon completion of the 2-year employment period, participating physicians may reenter and complete a post-graduate residency program.

(2) The department shall seek philanthropic support for the early primary care pilot program to achieve increased participation and may use state funds to match philanthropic contributions.

(3) The department shall contract with the Michigan Health Council for the purpose of administering the early primary care pilot program. Funds shall be disbursed by the department to the Michigan Health Council by December 1 of the current fiscal year for this purpose.

(4) Use of funds for administration of the early primary care pilot program is limited to no more than 10% of the total of all sources of funding.

(5) The department shall prepare a report on the status of the early primary care pilot program that shall include, but is not limited to, the number of physicians placed, location of placement, type of employer, average student loan burden of the participating physicians, and average loan relief provided under the program. By April 1 of the current fiscal year, the department shall provide the report described in this subsection to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office.

(6) Unexpended and unencumbered funds up to a maximum of \$1,000,000.00 general fund/general purpose revenue in part 1 for primary care services are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the early primary care pilot program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of an early primary care program as provided by this section.

(b) The work project will be accomplished by administering the partnering of participating physicians with qualifying employers and coordinating the negotiation of medical school loan repayment assistance for the participating physician.

(c) The total estimated cost of the work project is \$1,000,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2022.

Sec. 1150. From the funds appropriated in part 1 for health policy administration, the department shall dedicate 1.0 FTE position to coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to reduce fraud related to opioid prescribing within Medicaid, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on steps the department has taken to coordinate with the entities listed in this section and other stakeholders to reduce fraud related to opioid prescribing, and to address other appropriate recommendations of the task force.

Sec. 1151. From the funds appropriated in part 1 for health policy administration, the department shall dedicate 1.0 FTE position to coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to work with local substance use disorder agencies and addiction treatment providers to help inform Medicaid beneficiaries of all medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on how the department is working with local substance use disorder agencies and addiction treatment providers to ensure that Medicaid beneficiaries are informed of all available and medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the task force. The report shall include any potential barriers to medication-assisted treatment, as recommended by the Michigan medication-assisted treatment guidelines, for Medicaid beneficiaries in both office-based opioid treatment and opioid treatment program facility settings.

DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall reestablish a public health drinking water unit and enhance current efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. With the fiscal year 2017-2018 increase in funding, the childhood lead program shall improve the timeliness and quality of care provided to children with lead exposure, to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall establish and maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. (1) From the funds appropriated in part 1 for the healthy homes program, no less than \$1,750,000.00 of general fund/general purpose funds and \$23,480,000.00 of federal funds shall be allocated for lead abatement of homes.

(2) By January 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By December 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

Sec. 1223. (1) From the funds appropriated in part 1 for dental programs, \$150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the previous fiscal year.

Sec. 1224. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

Sec. 1225. The department shall work with the Michigan health endowment fund corporation established under section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to fund and evaluate current and future policies and programs. It is the intent of the legislature that, by March 1 of the current fiscal year, the senate and house appropriations subcommittees on the department budget shall hold a joint hearing for the purpose of a presentation by the Michigan health endowment fund corporation and the department, detailing the steps taken to work together, and to report on initiatives supported by the Michigan health endowment fund.

Sec. 1226. From the funds appropriated in part 1 for health and wellness initiatives, \$1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant no less than 1/2 of the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

Sec. 1227. The department shall establish criteria for all funds allocated under part 1 for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources including, but not limited to, federal sources.

Sec. 1228. From the funds appropriated in part 1 for injury control intervention project, \$1,000,000.00 shall be allocated for implementation of evidence-based, real-time, quality assurance decision support software in the treatment of pediatric traumatic brain injury and for protocols that are to be available to all hospitals providing those trauma services. The funds shall be used to purchase statewide licenses for pediatric traumatic brain injury treatment software and related software services and to offset hospital software integration costs. The department shall seek federal matching funds that may be available for implementation of this section.

Sec. 1229. (1) From the funds appropriated in part 1 for dental programs, \$1,550,000.00 shall be distributed to local health departments who partner with a qualified nonprofit provider of dental services for the purpose of providing high-quality dental homes for seniors, children, and adults enrolled in Medicaid, and low-income uninsured.

(2) In order to be considered a qualified nonprofit provider of dental services, the provider must demonstrate an effective health insurance enrollment process for uninsured patients and demonstrate to the department an effective process of charging patients on a sliding scale based on the patient's ability to pay.

(3) Outcomes and performance measures for the program under this section include, but are not limited to, the following:

(a) The number of uninsured patients who visited a participating dentist over the prior year, broken down between adults and children.

(b) The number of patients assisted with health insurance enrollment, broken down between adults and children.

(c) A 5-year trend of the number of uninsured patients being served, broken down between adults and children.

Sec. 1230. The department shall consider the development and implementation of a school-based pilot program for children up to grade 7 that may include, but is not limited to, oral health assessments, primary dental services, and referrals. The department shall consult with the department of education in considering the development of the school-based pilot program, and seek partnerships with local entities, and dental and philanthropic organizations to carry out the program. The school-based pilot program shall track the number of children offered and receiving services at the school sites. Program goals shall include improving oral and physical health outcomes for children, improving rates of children receiving dental sealants, and reduction of rates of childhood tooth decay.

FAMILY, MATERNAL, AND CHILD HEALTH

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1302. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States Department of Health and Human Services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1303. The department shall not contract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1307. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, \$650,000.00 of TANF revenue shall be allocated for a pregnancy and parenting support services program, which program must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1309. The department shall allocate funds appropriated in section 117 of part 1 for family, maternal, and child health according to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1310. The department shall continue to work jointly with the Michigan state housing development authority and the joint task force established under article IV of 2014 PA 252 to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The joint task force may provide recommendations to the department. Recommendations of the joint task force must give consideration to best practices and cost effectiveness.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention as described in the Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

Sec. 1314. The department shall enhance education and outreach efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

- (a) Supporting access to care.
- (b) Reducing and eliminating barriers to care.
- (c) Supporting recommendations for best practices.
- (d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.
- (e) Tracking of birth outcomes to study improvements in prevalence of fetal drug addiction, fetal alcohol syndrome, and other preventable neonatal disease.
- (f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1340. The department shall include national brand peanut butter on the list of approved women, infants, and children special supplemental nutrition program basket items.

EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS

Sec. 1350. From the funds appropriated in part 1 for emergency medical services, the department shall allocate \$182,000.00 for emergency medical services in the Upper Peninsula for the provision of emergency medical services in rural counties.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

- (a) Provide special formula for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.
- (d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

AGING AND ADULT SERVICES AGENCY

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of vulnerable seniors.

Sec. 1403. (1) By February 1 of the current fiscal year, the aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

- (a) The recipient's degree of frailty.
- (b) The recipient's inability to prepare his or her own meals safely.
- (c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on the department budget, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally-funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

Sec. 1422. (1) From the funds appropriated in part 1 for aging and adult services administration, not less than \$300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall provide a report on the efficacy of the contract to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 1425. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

MEDICAL SERVICES ADMINISTRATION

Sec. 1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished according to the approved federal advanced planning document.

(c) The estimated cost of this project phase is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2021.

Sec. 1502. The department shall spend available work project revenue and any associated federal match to create and develop a transparency database website. This funding is contingent upon enactment of enabling legislation.

Sec. 1503. From the funds appropriated in part 1 for Healthy Michigan plan administration, the department shall maintain an accounting structure within the statewide integrated governmental management applications that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 1505. By March 1 and September 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office including both of the following:

(a) The department's projected annual increase in reimbursement savings and cost offsets that will result from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

(b) The actual increase in reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

Sec. 1506. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report on the implementation status of the public assistance call center that includes all of the following information:

(a) Call volume during the prior quarter.

(b) Percentage of calls resolved through the public assistance call center.

(c) Percentage of calls transferred to a local department office or other office for resolution.

(d) Number of Medicaid applications completed by the public assistance call center staff and submitted on behalf of clients.

Sec. 1507. (1) From the funds appropriated in part 1 for technology supporting integrated service delivery, the department shall establish new information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system will consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries, and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Successful consolidation of data warehouses maintained by the department.

(b) The amount of time a department caseworker devotes to data entry when initiating an enrollee application.

(c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.

(d) A reduction in department caseworker workload.

Sec. 1508. From the funds appropriated in part 1 for medical services administration, \$500,000.00 is appropriated for the operation and maintenance of the Michigan dental registry in support of the enhanced dental benefit for the Healthy Kids Dental program. Additionally, the department shall explore the expansion of the scope of the Michigan dental registry to enhance the Medicaid adult dental benefit for pregnant women.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1603. (1) The department may establish a program for individuals to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$95.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) According to the federal covered outpatient drug final rule with comment (CMS-2345-FC), the department shall establish a professional pharmaceutical dispensing fee for pharmacy benefits that are reimbursed on a fee-for-service basis. In establishing this fee, the department shall comply with federal law while taking into consideration the state's

long-term financial exposure and Medicaid beneficiaries' access to care. The established fee shall not be lower than the amount in effect on October 1, 2015.

(2) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of \$4.00 for a generic drug and \$8.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

Sec. 1621. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on strategies the department is using to minimize the state cost of specialty drugs. Also, the department may take additional measures in order to further reduce state costs, while also ensuring that appropriate clinical care is being utilized. The report shall also include information on savings generated as a result of these additional measures that may include additional cost sharing, step therapy, and prior authorization.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

- (a) Two dollars for a physician office visit.
- (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) One dollar for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

- (a) Four dollars for a physician office visit.
- (b) Eight dollars for a hospital emergency room visit.
- (c) One hundred dollars for the first day of an inpatient hospital stay.
- (d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1645. The department shall consider using the most recent 3 years of actual days of care provided, as reported in the annual cost reports, for the purpose of establishing the nursing facility quality assurance assessment fee. For any year in which the estimated days of care compared to the actual days of care provided by each nursing home and hospital long-term care unit creates an aggregate overpayment of \$1,000,000.00 or more as a result of the nursing facility quality assurance assessment fee, the department shall report the excess assessed amount to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. By April 1 of the current fiscal year, the department shall report on feasibility of creating a more accurate formula for next year's assessment and a recommendation if a refund can or cannot be made to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1646. (1) From the funds appropriated in part 1 for long-term care services, the department shall implement a nursing facility quality measure initiative program. The initiative shall be financed through an increase of the quality assurance assessment for nursing homes and hospital long-term care units, and the funds shall be distributed according to the following criteria:

(a) The department shall award more dollars to nursing facilities that have a higher CMS 5-star quality measure domain rating.

(b) If the reward payment is expended on a Medicaid allowable cost basis, that cost must be included in accordance with the current Medicaid reimbursement methodology.

(c) A nursing facility with a CMS 5-star quality measure domain star rating of 1 or 2 must file an action plan with the department describing how it intends to use funds appropriated under this section to increase quality outcomes before funding shall be released.

(d) Licensed beds must be factored into the formula to address overall capacity.

(e) The percentage of total incentive dollars must reflect the following Medicaid utilization scale:

(i) For nursing facilities with a Medicaid participation rate of above 63%, the facility shall receive 100% of the incentive payment.

(ii) For nursing facilities with a Medicaid participation rate between 50% and 63%, the facility shall receive 75% of the incentive payment.

(iii) For nursing facilities with a Medicaid participation rate of less than 50%, the facility shall receive 50% of the incentive payment.

(iv) For nursing facilities not enrolled in Medicaid, the facility shall not receive an incentive payment.

(f) The incentive payment shall be paid as a monthly gross adjustment.

(2) It is the intent of the legislature that, beginning in the fiscal year ending September 30, 2019, the department and nursing facility representatives shall evaluate the program's effectiveness on quality, measured by the change in the CMS 5-star quality measure domain rating since the implementation of this section.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1659. The following sections of this part are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 904, 911, 918, 920, 928, 942, 994, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764, 1809, 1810, 1820, 1850, 1875, 1882, and 1888.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MICHild program as described in the MICHild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MICHild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be \$10.00 per month.

Sec. 1677. The MICHild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$386,700.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 1699. (1) The department may make separate payments in the amount of \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

Sec. 1700. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

(2) By May 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the projected distribution of funding, and the projected net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

Sec. 1702. From the funds appropriated in part 1, the department shall maintain the 15% rate increase provided during the fiscal year ending September 30, 2017 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically frail children can be cared for in the most homelike setting possible.

Sec. 1704. (1) From the funds appropriated in part 1 for dental services, the department shall allocate \$2,697,300.00 to support the enhancement of the Medicaid adult dental benefit for pregnant women enrolled in a Medicaid program.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office by October 1 of the current fiscal year on the steps taken by the department to implement subsection (1).

(3) Outcomes and performance measures for the program change under this section include, but are not limited to, the following:

(a) The number of pregnant women enrolled in Medicaid who visited a dentist over the prior year.

(b) The number of dentists statewide who participate in providing dental services to pregnant women enrolled in Medicaid.

Sec. 1705. By January 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office a report on

the top 10 procedures by volume in the Medicaid fee for service program that were performed in hospital outpatient departments.

Sec. 1706. From the funds appropriated in part 1 for adult home help services, the department may issue a request for proposal for the purpose of implementing a pilot program to conduct criminal history background checks on home help aides employed by individual providers, and to require agency providers to conduct criminal history background checks on their employees or subcontractors.

Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.

Sec. 1730. The department shall continue to maintain enhanced assessment tools established in collaboration with the department of education that promote literacy development of pregnant women and new mothers in the maternal infant health program. When possible, the department shall include new fathers of the infants in the literacy promotion efforts that are included in the assessment tools and in the subsequent services provided. The assessment tools shall expand the assessment of maternal and parental literacy and provide support and referrals to resources to enable program participants to achieve an increase in literacy that may contribute to improvements in family health, economic, and life outcomes.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs within 5 business days after certification or approval to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated negatively impacts the capitation rates that have been certified.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including, but not limited to, a description of how the department intends to ensure that service delivery is integrated, how key components of the proposal are implemented effectively, and any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1782. Subject to federal approval, from the funds appropriated in part 1 for health plan services, the department shall allocate \$500,000.00 general fund/general purpose plus any available work project funds and federal match to the Medicaid health plans through a capitation rate increase for children. This rate increase shall be used to support a statewide media campaign for improving this state's immunization rates.

Sec. 1790. It is the intent of the legislature that any restricted funds provided for ambulance provider reimbursements must come from an ambulance provider quality assurance assessment with a base narrowly tailored to ambulance services that does not include other municipal services.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall increase Medicaid reimbursement rates for neonatal services to no more than 75% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1800. For the distribution of each of the pools within the \$85,000,000.00 outpatient disproportionate share hospital payment, the department shall maintain a formula for the distribution of each pool based on the quality of care, cost, traditional disproportionate share hospital factors such as Medicaid utilization and uncompensated care, and any other factor that the department determines should be considered.

Sec. 1801. (1) From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working under the personal supervision of a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only.

(2) The department shall report by March 1 of the current fiscal year to the senate and house subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the following:

(a) A list of medical specialties and licensed providers that were paid enhanced primary care rates in the fiscal year ending September 30, 2016.

(b) Information on the geographic distribution of specialists who received enhanced rates in the fiscal year ending September 30, 2016.

Sec. 1802. From the funds appropriated in part 1, a lump-sum payment shall be made to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. The payment shall be calculated as \$830.00 for each obstetrical care case payment and each newborn care case payment for all such cases billed by the qualified hospitals for fiscal year 2012-2013 and shall be paid through the Medicaid health plan hospital rate adjustment process by January 1 of the current fiscal year.

Sec. 1804. The department, in cooperation with the department of military and veterans affairs, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1805. Hospitals receiving medical services payments for graduate medical education shall submit fully completed quality data to a nonprofit organization with extensive experience in collecting and reporting hospital quality data on a public website. The reporting must utilize consensus-based nationally endorsed standards that meet National Quality Forum-endorsed safe practices. The organization collecting the data must be an organization that uses severity-adjusted risk models and measures that will help patients and payers identify hospital campuses likely to have superior outcomes. The public website shall provide information to allow consumers to compare safe practices by hospital campus, including, but not limited to, perinatal care, hospital-acquired infection, and serious reportable events. Hospitals receiving medical services payments for graduate medical education shall also make their fully completed quality data available on the hospital's website. The department shall withhold 25% of a hospital's graduate medical education payment if the hospital does not submit the data to a qualifying nonprofit organization described in this section by January 1 of the current fiscal year.

Sec. 1806. (1) The department shall monitor the progress of implementing the Medicaid health plan common formulary. As part of the monitoring process, by March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the following:

(a) The progress of implementing the Medicaid health plan common formulary.

(b) The participation by the Medicaid health plans in the Medicaid health plan common formulary.

(c) The timeliness of prior authorization approvals or disapprovals.

(d) Any areas of inconsistency across the Medicaid health plans' implementation of the Medicaid health plan common formulary.

(2) The department shall develop policies and procedures to govern the operations of the Michigan Medicaid health plan common formulary workgroup to ensure fair and full public participation. The policies and procedures must include, but not be limited to, open workgroup meetings, solicitation of public comments during workgroup meetings, and a 45-day public comment period before any common formulary changes can be made.

Sec. 1809. The department shall establish separate contract performance standards for Medicaid health plans that adhere to the requirements of section 105d of the social welfare act, 1939 PA 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation withhold. The determination of the performance of the 0.75% capitation withhold is at the discretion of the department but must include recognized concepts such as 1-year continuous enrollment and the HEDIS audited data. The determination of the performance of the 0.25% capitation withhold is at the discretion of the department but must include the utilization of high-value services and discouraging the utilization of low-value services.

Sec. 1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense. Before final rate certification, the department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, “national accrediting entity” means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

(4) By July 1 of the current fiscal year, the department shall provide a progress report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on implementation of this section.

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients in medically underserved areas.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

Sec. 1850. The department may allow Medicaid health plans to assist with the redetermination process through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1851. From the funds appropriated in part 1 for adult home help services, the department shall allocate \$150,000.00 state general fund/general purpose revenue plus any associated federal match to develop and deploy a mobile electronic visit verification solution that shall include biometric identity verification to create administrative efficiencies, reduce error, and minimize fraud. The development of the solution shall be predicated on input from the results of the 2017 stakeholder survey.

Sec. 1853. As the department achieves compliance with CMS home- and community-based services (HCBS) final rule, the department shall do all of the following:

(a) By January 1 of the current fiscal year, provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office the department’s compliance guidelines and plan to ensure fidelity with the rule’s intent that HCBS beneficiaries have the opportunity to receive services in a manner that protects individual choice and promotes community integration.

(b) Before final implementation of the rule, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office a report detailing the potential fiscal impact related to HCBS compliance.

(c) Before final implementation of the rule, the department shall solicit public comment on the impact of HCBS compliance, including, but not limited to, a public forum, and submit the public comments to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) The funds appropriated in part 1 for hospice services shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The qualifying hospice residences must have been enrolled with Medicaid by October 1, 2014.

(2) By September 15 of the current fiscal year, qualifying hospice residences receiving funds under this section shall submit to the department, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office a report that includes, but is not limited to, all of the following:

(a) The number of patients served.

(b) The number of days served.

(c) The total cost of services provided.

(d) The per patient cost of services provided.

(e) The number of patients who did not receive care.

(3) At the end of the current fiscal year, any unexpended funds shall lapse back to the general fund.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall report to the senate and house subcommittees on the department budget and the senate and house fiscal agencies on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year and for the fiscal year ending September 30, 2016.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year and for the fiscal year ending September 30, 2016.

(c) The total amount of rebates provided by the pharmaceutical manufacturer for prescriptions paid by the department during the previous fiscal year and for the fiscal year ending September 30, 2016.

(d) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year and for the fiscal year ending September 30, 2016.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, without charge, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1860. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on uncollected co-pays and deductibles in the Healthy Michigan plan. The report shall include information on the number of participants who have not paid their co-pays and deductibles, the total amount of uncollected co-pays and deductibles, and steps taken by the department and health plans to ensure greater collection of co-pays and deductibles.

Sec. 1861. From the funds appropriated in part 1 for transportation, the department shall increase the number of counties in which a local public transportation entity is the primary administrator of the Medicaid nonemergency transportation benefit. The purpose of this expansion is to improve Medicaid beneficiary access to care, reduce the number of missed physician appointments by Medicaid beneficiaries, and reduce time spent by caseworkers facilitating nonemergency transportation for Medicaid beneficiaries. Performance goals include an increase in utilization of local public transportation, a reduction in the rate of trips reported as missed to no more than 0.5%, and the successful collection of data on program utilization, access, and beneficiary satisfaction.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1866. (1) From the funds appropriated in part 1 for hospital services and therapy and health plan services, \$12,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded to hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the immediately preceding fiscal year.

Sec. 1867. (1) The department shall convene a workgroup that includes psychiatrists, other relevant prescribers, and pharmacists to identify best practices and to develop a protocol for psychotropic medications. Any changes proposed by the workgroup shall protect a Medicaid beneficiary's current psychotropic pharmaceutical treatment regimen by not requiring a physician currently prescribing any treatment to alter or adjust that treatment.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1870. The department shall continue to work with the MiDocs consortium to explore alternative graduate medical education financing sources and mechanisms that expand residency opportunities for primary care training, per approval from CMS. By December 1 of the current fiscal year, the MiDocs consortium shall submit a report presenting a comprehensive funding plan to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to \$3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality improvement activities of the program. The department shall consider working with the Area Agencies on Aging Association of Michigan, the non-Area Agencies on Aging waivers, and the Disability Network/Michigan to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1875. (1) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016, and is generally recognized in a standard medical reference or the American Psychiatric Association's Diagnostic and Statistical Manual for the Treatment of a Psychiatric Disorder.

(2) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016 and is a prescription drug that is generally recognized in a standard medical reference for the treatment of epilepsy or seizure disorder or organ replacement therapy.

(3) As used in this section, "prior authorization" means a process implemented by the department or its contractual agents that conditions, delays, or denies delivery or particular pharmacy services to Medicaid beneficiaries upon application of predetermined criteria by the department or its contractual agents to those pharmacy services. The process of prior authorization often requires that a prescriber do 1 or both of the following:

(a) Obtain preapproval from the department or its contractual agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

Sec. 1876. (1) From the funds appropriated in part 1 for Healthy Michigan plan, the department shall allocate up to \$830,000.00 to facilitate the development and implementation of a demonstration project in cooperation with 1 or more contracting Medicaid health plans. These provisions shall be part of the protocol for implementation of incentives under the Healthy Michigan plan and must do all of the following:

(a) Target Healthy Michigan plan health plan enrollees who are above 100% of the federal poverty level, in at least 2 prosperity regions.

(b) Implement a web-based technology that links providers, beneficiaries, and health plans, in real-time, for the purpose of addressing deficiency in medical literacy and demonstrating that personal responsibility is enhanced by technology.

(c) Identify specific behavioral changes that will result as indicated by changes in measurable health outcomes and health care utilization.

(2) The demonstration project shall be implemented by April 1 of the current fiscal year. Prior to implementation, the department shall present a summary description to the senate and house appropriations subcommittees on the department budget and the senate and house committees on health policy that must include the estimated cost of the demonstration project, identify a shared savings proposal for Medicaid health plans who participate in the demonstration project, and identify intended measurable results.

(3) It is the intent of the legislature that the demonstration project shall test the cost containment capabilities of a program that uses financial incentives to improve health and health care by promoting health literacy and doctor-patient mutual accountability. Outcomes and performance measures for this initiative shall include, but are not limited to, the following:

(a) The total annual per capita or per-member-per-year health care expenditures. This metric shall be derived by dividing the total annual health care expenditures of a population by the average annual number of people in that population. Claims data shall be used to compute health care expenditures.

(b) The per-member-per-year health care expenditures of a reasonably matched population not covered by the demonstration project. To account for minor differences in the 2 populations, each group's annual trend during the pilot shall be measured against their respective baseline trends in the year before implementing the program.

(c) In order to attribute the finding to the program, other process metrics that have been found to correlate with health literacy must be analyzed. These metrics may include hospitalization rates, frequency of emergency room use, and the percentage of health education sessions prescribed by medical providers and successfully completed by patients relative to the total number of possible session opportunities offered through the program.

(4) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2018, the department shall submit quarterly reports to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office detailing the information required in subsection (3).

Sec. 1877. By March 1 of the current fiscal year, the department shall evaluate and provide a report to the house and senate appropriations subcommittees on the department budget on how the Healthy Michigan plan has contributed to assisting individuals in utilizing high-value services, minimized the use of low-value services, and how individuals' lives may be improving as a result of their access to services provided through the Healthy Michigan plan.

Sec. 1878. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on hepatitis C tracking data. At a minimum, the report shall include information on the following for individuals treated with Harvoni or any other treatment used to cure hepatitis C during the current fiscal year or a previous fiscal year:

(a) The total number of people treated broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(b) The total cost of treatment.

(c) The total cost of treatment broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(d) The cure rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

(e) The reinfection rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

Sec. 1882. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office, documentation of the expenses incurred during the immediate preceding fiscal year by Medicaid health plans and PIHPs for the purpose of meeting the contractual requirements to join the Michigan Health Information Network Shared Services and incentivizing providers to become members of the Health Information Exchange Qualified Organization. The report should also include an estimation of the expenses to be incurred in the current fiscal year by Medicaid health plans and PIHPs for the same purpose of meeting their contractual obligations.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1893. For the purposes of the request for proposal for the Healthy Kids Dental program, a vendor, upon being awarded the contract, must pass a readiness review not less than 60 days before the effective date of the contract. Additionally, the request for proposal shall not require respondents to submit contracts, letters of intent, or letters of application during the request for proposal process.

Sec. 1894. (1) By July 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on outcomes and performance measures of the Healthy Kids Dental program.

(2) Outcomes and performance measures for the Healthy Kids Dental program include, but are not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year.

(b) The number of dentists who will accept payment from the Healthy Kids Dental program.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program.

INFORMATION TECHNOLOGY

Sec. 1901. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department shall submit its own project plan that includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the information technology expansion, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(2) Once an award for an expansion of information technology is made, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a projected cost of the expansion broken down by use and type of expense.

Sec. 1902. From the funds appropriated in part 1 for the Michigan Medicaid information system (MMIS) line item, private revenue may be received from and allocated for other states interested in participating as part of the broader MMIS initiative. By March 1 of the current fiscal year, the department shall provide a report on the use of MMIS by other states for the previous fiscal year, including a list of states, type of use, and revenue and expenditures related to the agreements with the other states to use the MMIS. The report shall be provided to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1903. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year an implementation plan regarding the appropriation in part 1 to implement the

MiSACWIS. The plan shall include, but not be limited to, efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year a status report on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the system, including, but not limited to, all of the following:

- (a) Areas where implementation went as planned.
- (b) The number of known issues.
- (c) The average number of help tickets submitted per day.
- (d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.
- (e) Any contract revisions to address known issues and volume of help tickets.
- (f) Other strategies undertaken to improve implementation.
- (g) Progress developing cross-system trusted data exchange with MiSACWIS.
- (h) Progress in moving away from a statewide/tribal automated child welfare information system (SACWIS/TACWIS) to a comprehensive child welfare information system (CCWIS).
- (i) Progress developing and implementing a program to monitor data quality.
- (j) Progress developing and implementing custom integrated systems for private agencies and tribal governments.

Sec. 1904. From the funds appropriated in part 1 for information technology services and projects, by December 1 of the current fiscal year, the department shall make the appropriate information technology modifications to MiSACWIS so that partial child care fund reimbursements to counties for undisputed charges shall be made within 15 business days of the receipt of the required forms and documentation. The department shall notify a county within 15 business days of a disputed reimbursement request. The department shall reimburse for corrected charges within 15 business days of a properly corrected submission by the county.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1905. From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

- (a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.
- (b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.
- (c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.
- (d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.
- (e) Department field operations costs.
- (f) Lead poisoning surveillance, treatment, and abatement.
- (g) Nutritional incentives provided to local residents through the Double Up Food Bucks Expansion Program.
- (h) Genesee County health department food inspectors to perform water testing at local food service establishments.

Sec. 1906. (1) From the funds appropriated in part 1 for university autism programs, the department shall continue a grant process for autism programs. These grants are intended to increase the number of applied behavioral analysts, increase the number of autism diagnostic services provided, or increase employment of individuals who are diagnosed with autism spectrum disorder.

(2) As a condition of accepting the grants described in subsection (1), each university shall track and report back to the department where the individuals who have completed the applied behavioral analysis training are initially employed and the location of the initial employment.

(3) Outcomes and performance measures related to this initiative include, but are not limited to, the following:

- (a) An increase in applied behavioral analysts certified from university autism programs.
- (b) The number of autism diagnostic services provided.
- (c) The employment rate of employment program participants.
- (d) The employment rate of applied behavioral analysts trained through the university autism programs.

Sec. 1907. From the funds appropriated in part 1 for child lead poisoning elimination board, the department shall implement recommendations of the board offered in the board's report of November 2016. The recommendations implemented by the department under this section shall be based in science and best practices, and the department shall give priority to the implementation of the recommendations that are most in agreement with recommendations of nationally recognized organizations and authorities.

Sec. 1908. From the funds appropriated in part 1 for prenatal diagnosis clearinghouse website, the department shall allocate \$150,000.00 to develop or contract to develop a website providing information regarding prenatally diagnosed conditions consistent with the requirements in section 21418 of the public health code, 1978 PA 368, MCL 333.21418.

Sec. 1910. From the funds appropriated in part 1 for food pantry grant, the department shall allocate \$100,000.00 to a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that operates a food pantry located in a township with a population between 71,700 and 71,800 according to the most recent decennial census.

Sec. 1911. From the funds appropriated in part 1 for Special Olympics Michigan, the department shall allocate \$100,000.00 to Special Olympics Michigan to operate its Healthy Athletes initiative. This initiative must create community networks to support physical activity and healthy food choices for athletes and their families across the state.

Sec. 1913. (1) The department shall apply to CMS for a waiver to allow the department to bill CMS for direct primary care services for Medicaid enrollees. After the department receives a response from CMS regarding the waiver, the department shall do 1 of the following:

(a) If CMS approves the waiver, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend \$710,000.00 general fund/general purpose plus associated federal match for this program as part of a work project.

(b) If CMS does not approve the waiver, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend \$864,000.00 general fund/general purpose to fund a direct primary care pilot program as part of a work project.

(2) If the waiver in subsection (1) is approved, the department shall implement a direct primary care pilot program for Medicaid enrollees in Wayne, Oakland, Kent, Genesee, and Livingston Counties that shall run from October 1, 2017 to September 30, 2018. The pilot program shall include 400 enrollees from each of the following Medicaid eligibility categories:

- (a) Childless adults.
- (b) Children ages 0 to 6 years.
- (c) Children ages 7 to 18 years.
- (d) Parents.
- (e) Elderly individuals.
- (f) Disabled individuals.

(3) If the waiver in subsection (1) is not approved, the department shall implement a direct primary care pilot program for Medicaid enrollees in Wayne, Oakland, Kent, Genesee, and Livingston Counties that shall run from October 1, 2017 to September 30, 2018. The pilot program shall include 400 enrollees from each of the following Medicaid eligibility categories:

- (a) Childless adults.
- (b) Children ages 0 to 18 years.
- (c) Parents.

(4) For the purposes of the pilot program, each enrollee shall be enrolled in a single, eligible direct primary care service provider plan. The department shall maintain and publicly share a list of eligible direct primary care service providers with potential pilot program enrollees.

(5) An eligible direct primary care service provider must meet the following requirements:

(a) The direct primary care service provider must be a licensed physician in a primary care specialty.

(b) If the waiver in subsection (1) is approved, the monthly direct primary care enrollment fee shall not exceed a weighted average of \$70.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program. If the waiver in subsection (1) is not approved, the monthly direct primary care enrollment fee shall not exceed a weighted average of \$60.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program.

(c) The direct primary care service provider will be contracted with the department and must not accept any other third-party payments for providing health care services to enrollees under this pilot program.

(d) The direct primary care service provider must only provide primary care services.

(e) The direct primary care service provider's services must include, but are not limited to, access to telemedicine and same or next business day appointments.

(6) Managed care organizations contracted by this state to provide Medicaid services within the county where a direct primary care pilot program enrollee lives shall authorize direct primary care service providers participating in the pilot program to serve as "gateway" service providers who are able to refer pilot enrollees to non-primary care services within the managed care organization's provider network. The managed care provider is not liable for increased costs resulting from the implementation of the pilot program. The direct primary care service providers must do all of the following:

(a) Only refer pilot program enrollees to non-primary care service providers within the managed care organization's provider network.

(b) For pharmacy services not covered in the direct primary care services agreement, only authorize the use of pharmaceuticals covered under the managed care organization's formulary management system.

(c) Follow all prior authorization requirements mandated by the managed care organization.

(7) The department shall have access to the patient records of each enrollee in the pilot program for the sole purpose of aggregate data collection.

(8) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the implementation of the direct primary care pilot program. The report shall include, but is not limited to, the following performance metrics:

(a) The number of enrollees in the pilot program by eligibility category.

(b) The per-member-per-month rate paid in the previous fiscal year per eligibility category.

(c) The number of claims paid in the previous fiscal year per eligibility category.

(d) The number of claims per category weighted to reflect 400 enrollees.

(e) The dollar value of all claims per eligibility category.

(f) The per-member-per-month actual cost. As used in this subdivision, "per-member-per-month actual cost" means the direct primary care plan costs and any managed care costs not covered through the direct primary care plan, including managed care provider overhead costs.

(g) The average direct primary care cost per enrollee per eligibility category.

(h) The average number of actual claims per eligibility category.

(i) The average actual dollar value of claims per eligibility category.

(j) The number of enrollees in the pilot program during the previous quarter who are no longer eligible for Medicaid in the current quarter, broken down by eligibility category.

(k) The category savings subtotal. As used in this subdivision, "category savings subtotal" means the per-member-per-month rate paid in fiscal year 2016-2017 minus the per-member-per-month actual cost, times the number of enrollees in the eligibility category.

(l) The total savings. As used in this subdivision, "total savings" means the per-member-per-month rate paid in the previous fiscal year minus the per-member-per-month actual cost, times the total number of enrollees in the program.

(9) Unexpended and unencumbered funds up to a maximum of \$2,016,000.00 general fund/general purpose revenue plus any associated federal match remaining in accounts appropriated in part 1 for direct primary care pilot program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the direct primary care pilot program for Medicaid enrollees in Wayne, Oakland, and Livingston Counties under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of a direct primary care pilot program as provided by this section.

(b) The work project will be accomplished by contracting with a managed care organization under contract with the department to provide Medicaid services.

(c) The total estimated completion cost of the work project is \$6,048,000.00.

(d) The tentative completion date is September 30, 2020.

(10) The department may take out a stop loss policy to mitigate the potential cost impact if pilot program per member per month costs exceed per member per month costs for the program the enrollee would have been in had they not participated in the pilot program. The cost of the stop loss plan shall not be used in the assessment of the success of the pilot program.

Sec. 1914. From the funds appropriated in part 1 for primary care and dental health services, \$300,000.00 shall be allocated for primary care clinic and dental health clinic services for indigent individuals to be provided in clinic locations in the city of Detroit and Wayne County by a public nonprofit organization that is pursuing certification as a federally qualified health center and is expected to be certified within 2 years.

Sec. 1915. From the funds appropriated in part 1 for primary care hospital grant, the department shall make a one-time grant of \$850,000.00 to support primary care services provided by a hospital that qualifies for rural hospital access payments and is located in a county with a population between 130,000 and 140,000 according to the most recent decennial census.

Sec. 1916. From the funds appropriated in part 1 for refugee assistance grant, the department shall allocate \$150,000.00 to a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, to operate an initiative to transition low-income refugee families to self-sufficiency. To be eligible to receive funding, the organization must have a stated core purpose of providing programs that guide, support, and empower individuals to achieve self-sufficiency with dignity and hope. This initiative must utilize a measurable, evidence-based approach that integrates treatment for poverty across health care, human services, educational, faith-based, and governmental programs. The organization receiving funds under this section must report to the department by September 30 of the current fiscal year on metrics used to measure the success and viability of the initiative.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 2001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

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

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Edward J. Canfield, D.O.
Sue Allor
Conferees for the House

Jim Marleau
Peter MacGregor
Conferees for the Senate

Reports of Standing Committees

The Committee on Education Reform, by Rep. Kelly, Chair, reported

Senate Bill No. 249, entitled

A bill to create the educational instruction access act; to limit the powers of local governmental bodies regarding the selling, transferring, leasing, or renting of property; and to provide remedies and penalties.

Without amendment and with the recommendation that the bill pass.

The bill was referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:

Yeas: Reps. Kelly, Hornberger, Crawford, Garcia, Roberts, Alexander, Griffin, Lilly, Noble and Reilly

Nays: Reps. Zemke, Brinks, Chang, Camilleri and Sowerby

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Kelly, Chair, of the Committee on Education Reform, was received and read:
Meeting held on: Thursday, June 8, 2017

Present: Reps. Kelly, Hornberger, Crawford, Garcia, Roberts, Alexander, Griffin, Lilly, Noble, Reilly, Zemke, Brinks, Chang, Camilleri and Sowerby

The Committee on Families, Children, and Seniors, by Rep. Rendon, Chair, reported

House Bill No. 4505, entitled

A bill to amend 1976 PA 223, entitled "An act to create an agency concerned with crime victim services; to prescribe its powers and duties; to provide compensation to certain victims of crimes; to provide for the promulgation of rules; and to provide for penalties," by amending section 5a (MCL 18.355a), as added by 2008 PA 391.

With the recommendation that the substitute (H-1) be adopted and that the bill then pass.

The bill and substitute were referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:

Yeas: Reps. Rendon, Noble, McCreedy, Hughes, Roberts, Farrington, Kahle, Liberati, Robinson, Gay-Dagnogo and Ellison

Nays: None

The Committee on Families, Children, and Seniors, by Rep. Rendon, Chair, reported

House Bill No. 4506, entitled

A bill to amend 2008 PA 546, entitled "Sexual assault victims' medical forensic intervention and treatment act," by amending section 5 (MCL 400.1535).

Without amendment and with the recommendation that the bill pass.

The bill was referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:

Yeas: Reps. Rendon, Noble, McCready, Hughes, Roberts, Farrington, Kahle, Liberati, Robinson, Gay-Dagnogo and Ellison

Nays: None

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Rendon, Chair, of the Committee on Families, Children, and Seniors, was received and read:

Meeting held on: Thursday, June 8, 2017

Present: Reps. Rendon, Noble, McCready, Hughes, Roberts, Farrington, Kahle, Liberati, Robinson, Gay-Dagnogo and Ellison

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Graves, Chair, of the Committee on Oversight, was received and read:

Meeting held on: Thursday, June 8, 2017

Present: Reps. Graves, Howrylak, Iden, Johnson, Hertel and Chirkun

Messages from the Senate

House Bill No. 4211, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 462g (MCL 750.462g), as amended by 2014 PA 329.

The Senate has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

House Bill No. 4532, entitled

A bill to amend 1915 PA 79, entitled "An act to provide certain requirements in written instruments conveying or mortgaging real estate or any interest therein in which there are male grantors, mortgagors or other parties executing the same to entitle the same to record," by amending section 1 (MCL 565.221), as amended by 1980 PA 489.

The Senate has passed the bill and ordered that it be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

Senate Bill No. 258, entitled

A bill to amend 1976 PA 390, entitled "Emergency management act," by amending section 19 (MCL 30.419), as amended by 2013 PA 110.

The Senate has passed the bill.

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

Senate Bill No. 260, entitled

A bill to amend 2015 PA 45, entitled "Higher education authorization and distance education reciprocal exchange act," by amending section 7 (MCL 390.1697).

The Senate has passed the bill.

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

Senate Bill No. 267, entitled

A bill to amend 2013 PA 183, entitled "An act to create the student safety act; to provide for confidential reports of potential harm or criminal activities directed at school students, school employees, and schools; to establish a hotline for filing those reports; to create the student safety fund and to provide for contributions to and expenditures from that fund; to prescribe the powers and duties of certain state officials and departments; to provide for procedures for the release of certain confidential information; to prescribe penalties; and to repeal acts and parts of acts," by amending enacting section 1.

The Senate has passed the bill.

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

Senate Bill No. 297, entitled

A bill to amend 2016 PA 407, entitled "Skilled trades regulation act," by amending sections 201, 701, 713, and 731 (MCL 339.5201, 339.5701, 339.5713, and 339.5731).

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Senate Bill No. 316, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by repealing section 45501 (MCL 324.45501).

The Senate has passed the bill.

The bill was read a first time by its title and referred to the Committee on Natural Resources.

Senate Bill No. 394, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 117a (MCL 400.117a), as amended by 2016 PA 279.

The Senate has passed the bill.

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

Introduction of Bills

Rep. Marino introduced

House Bill No. 4718, entitled

A bill to amend 1909 PA 283, entitled "An act to revise, consolidate, and add to the laws relating to the establishment, opening, discontinuing, vacating, closing, altering, improvement, maintenance, and use of the public highways and private roads; the condemnation of property and gravel therefor; the building, repairing and preservation of bridges; maintaining public access to waterways under certain conditions; setting and protecting shade trees, drainage, and cutting weeds and brush within this state; providing for the election or appointment and defining the powers, duties, and compensation of state, county, township, and district highway officials; and to prescribe penalties and provide remedies," by amending section 18 of chapter IV (MCL 224.18), as amended by 2000 PA 342.

The bill was read a first time by its title and referred to the Committee on Transportation and Infrastructure.

Reps. Iden, Webber, Lucido, Kesto, Cole, VanSingel, Miller and Tedder introduced

House Bill No. 4719, entitled

A bill to amend 1972 PA 348, entitled "An act to regulate relationships between landlords and tenants relative to rental agreements for rental units; to regulate the payment, repayment, use and investment of security deposits; to provide for commencement and termination inventories of rental units; to provide for termination arrangements relative to rental units; to provide for legal remedies; and to provide penalties," by amending the title and section 1 (MCL 554.601), section 1 as amended by 1995 PA 79, and by adding sections 1d, 1e, 1f, and 1g.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Hammoud, LaGrand, Love, Neeley, Geiss, Chang, Gay-Dagnogo, Peterson, Rabhi, Cochran, Sabo, Wittenberg, Byrd, Moss, Sowerby, Green, Phelps and Jones introduced

House Bill No. 4720, entitled

A bill to create the law enforcement information sharing act; to prohibit the use of state and local law enforcement resources for the enforcement of federal immigration laws; to provide for the powers and duties of certain state and local governmental officers and entities; and to provide for certain reporting requirements.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Wittenberg, Hammoud, LaGrand, Love, Neeley, Geiss, Chang, Gay-Dagnogo, Peterson, Rabhi, Cochran, Sabo, Howrylak, Byrd, Moss, Sowerby, Green, Phelps and Jones introduced

House Bill No. 4721, entitled

A bill to create the immigration status inquiry and information collection act; and to prohibit certain inquiries, information collection, and the provision of information by certain individuals.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Zemke, Hammoud, LaGrand, Love, Geiss, Neeley, Chang, Gay-Dagnogo, Peterson, Rabhi, Cochran, Chirkun, Sabo, Wittenberg, Byrd, Moss, Sowerby, Scott, Green, Phelps and Jones introduced

House Bill No. 4722, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1136a.

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

Reps. Rabhi, Hammoud, LaGrand, Geiss, Love, Neeley, Chang, Gay-Dagnogo, Peterson, Cochran, Sabo, Wittenberg, Byrd, Sowerby, Moss, Green and Jones introduced

House Bill No. 4723, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," (MCL 388.1601 to 388.1896) by adding section 265b.

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

Reps. Peterson, Hammoud, LaGrand, Geiss, Love, Chang, Neeley, Gay-Dagnogo, Rabhi, Sabo, Cochran, Wittenberg, Howrylak, Byrd, Sowerby, Moss, Green and Jones introduced

House Bill No. 4724, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," (MCL 760.1 to 777.69) by adding section 5 to chapter XVI.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Moss, Hammoud, LaGrand, Love, Geiss, Neeley, Chang, Gay-Dagnogo, Peterson, Rabhi, Cochran, Sabo, Wittenberg, Howrylak, Byrd, Sowerby, Green, Phelps, Ellison and Jones introduced

House Bill No. 4725, entitled

A bill to amend 1984 PA 431, entitled "The management and budget act," (MCL 18.1101 to 18.1594) by adding section 387.

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

Reps. Green, Hammoud, LaGrand, Elder, Geiss, Love, Neeley, Chang, Gay-Dagnogo, Peterson, Rabhi, Chirkun, Cochran, Sabo, Wittenberg, Howrylak, Byrd, Zemke, Greimel, Moss, Sowerby, Ellison and Jones introduced

House Bill No. 4726, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1166a.

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

Reps. LaGrand, Hammoud, Elder, Geiss, Love, Chang, Neeley, Peterson, Gay-Dagnogo, Rabhi, Sabo, Cochran, Wittenberg, Howrylak, Byrd, Sowerby, Moss, Green and Ellison introduced

House Bill No. 4727, entitled

A bill to create the standards for responding to federal immigration holds act; and to provide for the powers and duties of certain state and local governmental officers and entities.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Geiss, Hammoud, LaGrand, Love, Chang, Neeley, Peterson, Gay-Dagnogo, Sabo, Cochran, Rabhi, Wittenberg, Howrylak, Byrd, Sowerby, Moss, Green and Jones introduced

House Bill No. 4728, entitled

A bill to create the nonprofit legal organization contract act; to create the nonprofit legal organization contract fund; to provide for use of the fund; and to provide for the powers and duties of certain state and local governmental officers and entities.

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

Reps. Jones, Hammoud, LaGrand, Geiss, Chang, Love, Neeley, Peterson, Gay-Dagnogo, Sabo, Cochran, Rabhi, Wittenberg, Howrylak, Byrd, Sowerby, Moss, Green and Ellison introduced

House Bill No. 4729, entitled

A bill to amend 1984 PA 431, entitled “The management and budget act,” (MCL 18.1101 to 18.1594) by adding section 382.

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

Reps. Hammoud, LaGrand, Geiss, Chang, Love, Neeley, Gay-Dagnogo, Sabo, Cochran, Rabhi, Wittenberg, Byrd, Sowerby, Moss and Jones introduced

House Bill No. 4730, entitled

A bill to prohibit public employers from entering into contracts that require electronic verification of work authorization; to prohibit employers from entering into contracts with public employers that require electronic verification of work authorization; to create duties and responsibilities for certain state and local departments, agencies, and officers; and to provide remedies and prescribe penalties.

The bill was read a first time by its title and referred to the Committee on Commerce and Trade.

Reps. Ellison, Hammoud, LaGrand, Geiss, Chang, Love, Neeley, Peterson, Gay-Dagnogo, Sabo, Chirkun, Cochran, Rabhi, Wittenberg, Byrd, Sowerby, Scott, Moss, Green and Jones introduced

House Bill No. 4731, entitled

A bill to amend 1980 PA 428, entitled “An act to provide for the designation of state procurements of goods, services, and construction for minority owned and woman owned businesses; to provide powers and duties of the governor; to prescribe powers and duties of certain state departments and agencies; and to provide penalties,” by amending the title and sections 1, 2, 3, 4, 5, and 6 (MCL 450.771, 450.772, 450.773, 450.774, 450.775, and 450.776).

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

Reps. Santana, Hammoud, Geiss, Love, Chang, Neeley, Gay-Dagnogo, Cochran, Rabhi, Sabo, Wittenberg, Byrd, Zemke and Moss introduced

House Bill No. 4732, entitled

A bill to amend 1967 PA 281, entitled “Income tax act of 1967,” by amending section 471 (MCL 206.471), as amended by 2011 PA 38, and by adding section 51f.

The bill was read a first time by its title and referred to the Committee on Tax Policy.

Reps. Chang, Hammoud, Geiss, Love, Neeley, Gay-Dagnogo, Cochran, Rabhi, Yanez, Sabo, Wittenberg, Howrylak, Byrd, Moss and Jones introduced

House Bill No. 4733, entitled

A bill to amend 1984 PA 431, entitled “The management and budget act,” by amending sections 241 and 261 (MCL 18.1241 and 18.1261), section 241 as amended by 2012 PA 430 and section 261 as amended by 2017 PA 21.

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

Rep. Moss introduced

House Bill No. 4734, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” by amending sections 23, 24e, 24f, 24h, 28, 821, and 830 (MCL 168.23, 168.24e, 168.24f, 168.24h, 168.28, 168.821, and 168.830), section 23 as amended by 2012 PA 417, sections 24f and 24h as amended by 1982 PA 154, and section 821 as amended by 2003 PA 302.

The bill was read a first time by its title and referred to the Committee on Elections and Ethics.

Reps. Miller, Pagel and Kelly introduced

House Bill No. 4735, entitled

A bill to amend 1996 PA 160, entitled “Postsecondary enrollment options act,” by amending section 3 (MCL 388.513), as amended by 2012 PA 131.

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

Reps. Brann, Noble, Rendon, Hammoud, LaGrand, Jones, Sabo, Hoadley, Vaupel, Rabhi, Byrd, Scott, Moss and Yanez introduced

House Bill No. 4736, entitled

A bill to amend 1915 PA 31, entitled "Youth tobacco act," by amending the title and sections 1, 2a, and 4 (MCL 722.641, 722.642a, and 722.644), the title and sections 1 and 4 as amended by 2006 PA 236 and section 2a as added by 1992 PA 272, and by adding section 3a; and to repeal acts and parts of acts.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Hammoud, Gay-Dagnogo, Moss, Sabo, Love, Wittenberg, Brann, Bizon and Yanez introduced

House Bill No. 4737, entitled

A bill to amend 1993 PA 327, entitled "Tobacco products tax act," by amending section 2 (MCL 205.422), as amended by 2012 PA 188, and by adding section 11a.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Bizon, Sabo, Noble, Vaupel, Canfield, Rendon, Hoadley, Jones, Scott, Hammoud, LaGrand and Moss introduced

House Bill No. 4738, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending sections 42b and 470 (MCL 750.42b and 750.470), section 42b as added by 1992 PA 273 and section 470 as amended by 1998 PA 38.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Sabo, Gay-Dagnogo, Brann, Hammoud, Bizon, Howell, Noble, Jones, Rabhi, Clemente, Moss, Wittenberg, Chang, Yanez and Greig introduced

House Bill No. 4739, entitled

A bill to amend 1993 PA 327, entitled "Tobacco products tax act," by amending the title and sections 2, 3, 6, 6a, 7, 8, 9, and 11 (MCL 205.422, 205.423, 205.426, 205.426a, 205.427, 205.428, 205.429, and 205.431), the title and sections 2 and 6a as amended by 2012 PA 188, sections 3 and 6 as amended by 1997 PA 187, sections 7 and 11 as amended by 2016 PA 86, section 8 as amended by 2008 PA 458, and section 9 as amended by 2004 PA 474.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Johnson, Miller, Reilly, Pagel and Brann introduced

House Bill No. 4740, entitled

A bill to provide for the labeling of certain portable fuel containers as made in Michigan; and to make findings that, under certain circumstances, portable fuel containers have not entered or substantially affected interstate commerce.

The bill was read a first time by its title and referred to the Committee on Natural Resources.

Reps. Howrylak, Inman, Zemke, Gay-Dagnogo, Lucido, Pagel and Robinson introduced

House Bill No. 4741, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," (MCL 791.201 to 791.285) by adding section 64a.

The bill was read a first time by its title and referred to the Committee on Law and Justice.

Reps. Tedder, Iden, Miller, Barrett, Sheppard, Webber and Kosowski introduced

House Bill No. 4742, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 310 (MCL 750.310).

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Miller, Iden, Kosowski, Tedder, Sheppard and Webber introduced

House Bill No. 4743, entitled

A bill to regulate the conduct of fantasy sports games; to protect Michigan participants in fantasy sports games; to require licensing of the operators of fantasy sports games; to impose fees on the operators of fantasy sports games; to provide for the powers and duties of certain state governmental officers and entities; to prohibit violations of this act; and to prescribe civil sanctions.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Rep. Jones moved that the House adjourn.
The motion prevailed, the time being 4:20 p.m.

Associate Speaker Pro Tempore Tedder declared the House adjourned until Tuesday, June 13, at 10:00 a.m.

GARY L. RANDALL
Clerk of the House of Representatives

