

**SUBSTITUTE FOR
SENATE BILL NO. 114**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	727,763,900
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Interdepartmental grant revenues:



1	Total interdepartmental grants and		
2	intradepartmental transfers		0
3	ADJUSTED GROSS APPROPRIATION	\$	727,763,900
4	Federal revenues:		
5	Total federal revenues		672,763,900
6	Special revenue funds:		
7	Total local revenues		0
8	Total private revenues		0
9	Total other state restricted revenues		0
10	State general fund/general purpose	\$	55,000,000
11	Sec. 102. DEPARTMENT OF HEALTH AND HUMAN		
12	SERVICES		
13	(1) APPROPRIATION SUMMARY		
14	GROSS APPROPRIATION	\$	445,182,200
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and		
17	intradepartmental transfers		0
18	ADJUSTED GROSS APPROPRIATION	\$	445,182,200
19	Federal revenues:		
20	Total federal revenues		390,182,200
21	Special revenue funds:		
22	Total local revenues		0
23	Total private revenues		0
24	Total other state restricted revenues		0
25	State general fund/general purpose	\$	55,000,000
26	(2) ONE-TIME APPROPRIATIONS		
27	COVID-19 direct care worker hazard pay		
28	adjustment	\$	150,000,000



1	Federal COVID epidemiology and laboratory		
2	capacity		184,942,400
3	Federal COVID immunization and vaccine grant		
4	reserve fund		110,239,800
5	GROSS APPROPRIATION	\$	445,182,200
6	Appropriated from:		
7	Federal revenues:		
8	Total other federal revenues		390,182,200
9	State general fund/general purpose	\$	55,000,000
10	Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC		
11	OPPORTUNITY		
12	(1) APPROPRIATION SUMMARY		
13	GROSS APPROPRIATION	\$	282,581,700
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and		
16	intradepartmental transfers		0
17	ADJUSTED GROSS APPROPRIATION	\$	282,581,700
18	Federal revenues:		
19	Total federal revenues		282,581,700
20	Special revenue funds:		
21	Total local revenues		0
22	Total private revenues		0
23	Total other state restricted revenues		0
24	State general fund/general purpose	\$	0
25	(2) ONE-TIME APPROPRIATIONS		
26	Emergency rental assistance	\$	220,302,200
27	Emergency rental assistance - administrative		
28	costs		62,279,500



1	GROSS APPROPRIATION	\$ 282,581,700
2	Appropriated from:	
3	Federal revenues:	
4	Total federal revenues	282,581,700
5	State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

11 Sec. 201. Pursuant to section 30 of article IX of the state
12 constitution of 1963, total state spending from state sources under
13 part 1 for fiscal year ending September 30, 2021 is \$55,000,000.00
14 and total state spending from state sources to be paid to local
15 units of government is \$0.00.

16 Sec. 202. The appropriations made and expenditures authorized
17 under this part and part 1 and the departments, commissions,
18 boards, offices, and programs for which appropriations are made
19 under this part and part 1, are subject to the management and
20 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

21 Sec. 203. If the state administrative board, acting under
22 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
23 appropriated under this act, the legislature may, by a concurrent
24 resolution adopted by a majority of the members elected to and
25 serving in each house, inter-transfer funds within this act for the
26 particular department, board, commission, office, or institution.

27 Sec. 204. It is the intent of the legislature that a hiring
28 freeze is imposed on the state classified civil service. State
29 departments and agencies are prohibited from hiring any new full-



1 time state classified civil service employees and prohibited from
 2 filling any vacant state classified civil service positions. This
 3 hiring freeze does not apply to internal transfers of classified
 4 employees from 1 position to another within a department.

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6 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

7 Sec. 251. (1) From the funds appropriated in part 1 for COVID-
 8 19 direct care worker hazard pay adjustment, the department of
 9 health and human services shall provide sufficient funding,
 10 including any applicable federal match, to increase the wages paid
 11 to direct care workers described in subsection (2) by \$2.25 per
 12 hour above the rates paid on March 1, 2020 beginning March 1, 2021
 13 through September 30, 2021.

14 (2) The direct care wage increase shall be provided to direct
 15 care workers employed by the department of health and human
 16 services, its contractors, and its subcontractors who received a
 17 \$2.00 per hour state-funded wage increase beginning in April 2020.
 18 The total combined direct care wage increases from the April 2020
 19 direct care wage increase and the wage increase outlined in this
 20 section shall be \$2.00 per hour and shall be in effect from April
 21 1, 2020 to February 28, 2021 and \$2.25 per hour and shall be in
 22 effect from March 1, 2021 through September 30, 2021.

23 (3) From the funds appropriated in part 1 for COVID-19 direct
 24 care worker hazard pay adjustment, a direct care wage increase of
 25 \$2.25 per hour shall be provided to direct care workers employed by
 26 skilled nursing facilities on the effective date of this act,
 27 beginning March 1, 2021 and continuing until September 30, 2021.
 28 This funding shall include all costs incurred by the employer,
 29 including payroll taxes, due to the \$2.25 per hour increase. As



1 used in this subsection, "direct care workers" means a registered
2 nurse, licensed practical nurse, competency-evaluated nursing
3 assistant, and respiratory therapist.

4 (4) From the funds appropriated in part 1 for COVID-19 direct
5 care worker hazard pay adjustment, a direct care wage increase of
6 \$2.25 per hour shall be provided to direct care workers employed by
7 area agencies on aging and their contractors for in-home and
8 respite services on the effective date of this act, beginning March
9 1, 2021 and continuing until September 30, 2021. This funding shall
10 include all costs incurred by the employer, including payroll
11 taxes, due to the \$2.25 per hour increase.

12 (5) From the funds appropriated in part 1 for COVID-19 direct
13 care worker hazard pay adjustment, a direct care wage increase of
14 \$2.25 per hour shall be provided to direct care workers employed by
15 licensed adult foster care homes and licensed homes for the aged
16 who were not eligible for any COVID-19 direct care worker pay
17 adjustment under any other subsection of this section. The \$2.25
18 per hour increase described in this subsection shall begin on March
19 1, 2021 and continue until September 30, 2021. This funding shall
20 include all costs incurred by the employer, including payroll
21 taxes, due to the \$2.25 per hour increase.

22 (6) From the funds appropriated in part 1 for COVID-19 direct
23 care worker hazard pay adjustment, a direct care wage increase of
24 \$2.25 per hour shall be provided to direct support employees and
25 job coaches who work in supported employment arrangements and who
26 were not eligible for any COVID-19 direct care worker pay
27 adjustment under any other subsection of this section. The \$2.25
28 per hour increase described in this subsection shall begin on March
29 1, 2021 and continue until September 30, 2021. This funding shall



1 include all costs incurred by the employer, including payroll
2 taxes, due to the \$2.25 per hour increase.

3 (7) From the funds appropriated in part 1 for COVID-19 direct
4 care worker hazard pay adjustment, a direct care wage increase of
5 \$2.00 per hour shall be provided to front line workers employed by
6 child caring institutions. The \$2.00 per hour increase described in
7 this subsection shall begin on March 1, 2021 and continue until
8 June 30, 2021. This funding shall include all costs incurred by the
9 employer, including payroll taxes, due to the \$2.00 per hour
10 increase. As used in this section, a "child caring institution"
11 means that term as defined in 1973 PA 116, MCL 722.111 to 722.128.

12 (8) Contractors and subcontractors receiving funding to
13 support these direct care wage increases shall be required to
14 provide documentation of the wage increases provided pursuant to
15 this section to the department of health and human services.

16 (9) Any payment enhancement above the hourly rate in effect on
17 March 1, 2020 shall be of no effect in determining any employee's
18 average compensation as provided by any contract or other provision
19 of law.

20 (10) A direct care worker may elect to not receive the wage
21 increase provided in this section. The election to not receive the
22 wage increase in this section must be made either in writing or
23 electronically. The employer of a direct care worker who has
24 elected to not receive the wage increase in this section must remit
25 back to the state any of the funds authorized by this section based
26 on the number of direct care workers it employs who have elected to
27 not receive the wage increase authorized by this section.

28 Sec. 252. (1) From the funds appropriated in part 1 for
29 federal COVID epidemiology and laboratory capacity, the department



1 of health and human services shall allocate \$75,000,000.00 for
2 grants to eligible school districts, public school academies,
3 intermediate school districts, and nonpublic schools as provided in
4 this section, \$20,000,000.00 shall be allocated for Michigan
5 department of corrections testing, and \$25,000,000.00 shall be
6 allocated for testing at licensed skilled nursing facilities.

7 (2) From the funds appropriated in subsection (1) for grants
8 to eligible school districts, public school academies, intermediate
9 school districts, and nonpublic schools, the department of health
10 and human services shall work with the department of education to
11 distribute grants to school districts and public school academies
12 based on the headcount each of those entities reported to the
13 center for educational performance and information as of the most
14 recent headcount data submission.

15 (a) The department of health and human services shall work
16 with the department of education to notify registered and approved
17 nonpublic schools of the availability of grant funds for COVID-19
18 testing, and to set up a grant process to distribute testing funds
19 to eligible nonpublic schools. The department must notify
20 registered and approved nonpublic schools within 5 days of
21 enactment of this legislation that the funds are available and must
22 open a grant process within 10 days of enactment of this
23 legislation. Registered and approved nonpublic schools applying for
24 COVID-19 testing funds must report headcount enrollment to the
25 department within 5 days of the grant process being open for
26 applications. An application with enrollment data reported by a
27 registered and approved nonpublic school shall be approved for
28 grant funding.

29 (b) The amount of a grant to each eligible district, public



1 school academy, and nonpublic school shall be equal to the product
2 of the educating entity's headcount multiplied by \$50.00. The
3 amount of a grant to each eligible intermediate district shall be
4 equal to the product of the intermediate school district's staff
5 headcount as reported to the center for educational performance and
6 information as of the most recent data submission multiplied by
7 \$50.00.

8 (c) To be eligible to receive funding under this section, a
9 school district, public school academy, or nonpublic school must
10 provide at least 20% of all instruction in person. This may be
11 measured by hours or days but must result in the average of at
12 least 1 day of instruction per school week being delivered in
13 person for all students. An intermediate school district is
14 eligible for funding under this section if the intermediate school
15 district has an average of all staff working at least 1 day per
16 week in person at the intermediate school district, at the school
17 districts that are constituents of the intermediate school
18 district, or both.

19 (d) The department of health and human services shall work
20 with the department of education to make payments to eligible
21 districts, public school academies, intermediate districts, and
22 nonpublic schools not later than 21 days after enactment of this
23 legislation.

24 (e) An entity receiving a grant under this section may use the
25 funds for COVID-19 testing for staff and students including, but
26 not limited to, teachers, counselors, administrators, support
27 staff, aides, bus drivers, coaches, cafeteria staff, custodians,
28 students playing contact sports, and other students as determined
29 by the entity.



1 (f) If the sum of the grants calculated under subsection (2)
2 exceeds the appropriation in subsection (1), grants shall be
3 reduced on an equal dollar basis.

4 Sec. 253. (1) From the funds appropriated in part 1 for
5 federal COVID immunization and coronavirus vaccine grant reserve
6 fund, the department of health and human services shall allocate
7 \$36,746,600.00 to manage the administration of a coronavirus
8 vaccine to all Michigan residents through financial support to
9 local health departments and other health care providers.

10 (2) The funds appropriated in part 1 for federal COVID
11 immunization and coronavirus vaccine grant reserve fund, not
12 allocated in subsection (1), shall not be expended unless a
13 legislative transfer request is issued by the state budget office
14 and the requirements of the legislative transfer process are met
15 under section 393 of the management and budget act, 1984 PA 431,
16 MCL. 18.1393.

17 (3) Prior to issuing a legislative transfer request under this
18 section, the department shall first do both of the following:

19 (a) Demonstrate the funds appropriated in 2020 PA 257 for
20 coronavirus vaccine strategy have been expended.

21 (b) Provide a report to the house and senate appropriations
22 committees, the house and senate fiscal agencies, and the state
23 budget office to illustrate how the requested funds would be
24 utilized.

25 Sec. 254. (1) The department of health and human services
26 shall report on a weekly basis to the senate and house
27 appropriations committees, the senate and house fiscal agencies,
28 the senate and house policy offices, and the state budget office on
29 all of the following:



1 (a) The metrics used for calculating vaccine distribution to
2 local health departments and enrolled providers and an analysis by
3 county that shows how allocations were calculated.

4 (b) The number of vaccines distributed during the previous
5 week to each local health department and enrolled provider. The
6 number of vaccines distributed under this subdivision must be
7 listed for each local health department and for each enrolled
8 provider.

9 (c) The estimated number of vaccines to be distributed during
10 the current week to each local health department and enrolled
11 provider. The estimated number of vaccines to be distributed under
12 this subdivision must be listed for each local health department
13 and for each enrolled provider.

14 (d) The estimated number of vaccines to be distributed next
15 week to each local health department and enrolled provider. The
16 estimated number of vaccines to be distributed under this
17 subdivision must be listed for each local health department and for
18 each enrolled provider.

19 (e) The number and estimated percentage of individuals
20 vaccinated, categorized by each vaccination phase.

21 (f) The number and estimated percentage of individuals
22 residing or working in nursing homes that have been vaccinated.

23 (g) The number and estimated percentage of individuals 65
24 years of age and older that have been vaccinated.

25 (h) The total amount that has been expended from the funds
26 appropriated in part 1 for federal COVID immunization and vaccine
27 distribution and administration. The amount described in this
28 subdivision shall be broken down by state general funds and federal
29 funds.



1 (2) The reports required by this section must be made
2 accessible to the public by placing the reports on an internet
3 site.

4 Sec. 255. (1) By March 1, 2021, the department of health and
5 human services shall report to the senate and house appropriations
6 committees, the senate and house fiscal agencies, the senate and
7 house policy offices, and the state budget office on the formula,
8 or other detailed methodology, used to distribute vaccines to each
9 local health department and each enrolled provider. The report must
10 also include an example of how the formula, or other detailed
11 methodology, would distribute a statewide total of 100,000 vaccines
12 to each local health department and each enrolled provider.

13 (2) Within 1 business day of any changes made by the
14 department of health and human services to the formula, or other
15 detailed methodology, used to distribute vaccines to each local
16 health department and each enrolled provider, the department of
17 health and human services shall report to the senate and house
18 appropriations committees, the senate and house fiscal agencies,
19 the senate and house policy offices, and the state budget office on
20 the changes made to the formula, or other detailed methodology,
21 used to distribute vaccines to each local health department and
22 each enrolled provider, the rationale for the change to the
23 formula, or other detailed methodology, used to distribute vaccines
24 to each local health department and each enrolled provider, and an
25 example of how the revised formula, or other detailed methodology,
26 would distribute a statewide total of 100,000 vaccines to each
27 local health department and each enrolled provider.

28 (3) By March 1, 2021, the department of health and human
29 services shall report to the senate and house appropriations



1 committees, the senate and house fiscal agencies, the senate and
 2 house policy offices, and the state budget office on the advantages
 3 and disadvantages of incorporating a specific minimum, or baseline,
 4 number of vaccines to be distributed on a weekly basis for each
 5 specific local health department and enrolled provider.

6 (4) The reports required by this section must be made
 7 accessible to the public by placing the reports on an internet
 8 site.

9 Sec. 256. No later than 30 days after the enactment of this
 10 act, the department shall expand its COVID-19 vaccination
 11 distribution to include independent pharmacy networks, specifically
 12 those in rural areas, to increase access to COVID-19 vaccination
 13 across this state.

14 Sec. 257. A recipient of a COVID-19 vaccine administered from
 15 the funds appropriated in part 1 for federal COVID immunization and
 16 vaccine grant reserve funds shall be provided with information or
 17 informed if and in what manner the development of the vaccine
 18 utilized aborted fetal tissue or human embryonic stem cell
 19 derivation lines.

20 Sec. 258. In distributing doses of COVID-19 vaccines to
 21 localities, the department of health and human services shall only
 22 use the estimated number of individuals in each eligible priority
 23 group who have not yet been fully vaccinated in each locality. The
 24 department of health and human services shall not use race, gender,
 25 color, national origin, religion, sex, or socioeconomic status as
 26 factors in determining the distribution of COVID-19 vaccines.

27

28 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

29 Sec. 301. (1) Funds appropriated in part 1 for emergency



1 rental assistance shall be administered by the terms set forth in
2 section 501(a) of Division N of the Consolidated Appropriations
3 Act, 2021, Public Law 116-260, authorizing the United States
4 Department of Treasury to make payments to certain recipients to be
5 used to provide emergency rental assistance.

6 (2) The department of labor and economic opportunity shall
7 collaborate with the department of health and human services, the
8 judiciary, local community action agencies, local nonprofit
9 agencies, and legal aid organizations to create a rental and
10 utility assistance program.

11 (3) The rental assistance program will operate in accordance
12 with rules and guidance published by the United States Department
13 of Treasury to serve eligible renter households with rental and
14 utility assistance to preserve their housing and avoid eviction.

15 (4) The unexpended funds appropriated in part 1 for emergency
16 rental assistance are designated as a work project appropriation.
17 Any unencumbered or unallotted funds shall not lapse at the end of
18 the fiscal year and shall be available for expenditures for
19 projects under this section until the projects have been completed.
20 The following is in compliance with section 451a(1) of the
21 management and budget act, 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the work project is to create an emergency
23 rental assistance program, which includes rental and utility
24 assistance payments, housing stability services, and case
25 management to eligible renter households impacted by COVID-19.

26 (b) The projects will be accomplished by utilizing state
27 employees or by contracts.

28 (c) The total estimated cost of the work project is
29 \$220,302,200.00.



1 (d) The tentative completion date is March 31, 2022.
2 Sec. 302. Funds appropriated in part 1 for emergency rental
3 assistance - administrative costs shall be administered by the
4 terms set forth for the administrative costs allowable under
5 section 501(c) (5) of Division N of the Consolidated Appropriations
6 Act, 2021, Public Law 116-260, authorizing the United States
7 Department of Treasury to make payments to certain recipients to be
8 used to provide emergency rental assistance.

